

# NOTICE OF MEETING

## REVISION 1

The regular meeting of the Incline Village General Improvement District will be held starting at **6:00 p.m.** on **Wednesday, June 9, 2021** at 893 Southwood Boulevard, Incline Village, Nevada and via Livestream/Zoom.

Public comment is allowed and the public is welcome to make their public comment either via e-mail (please send your comments to [info@ivgid.org](mailto:info@ivgid.org) by 4:00 p.m. on Wednesday, June 9, 2021) or via telephone (the telephone number will be posted to our website on the day of the meeting). The meeting will be available for viewing at <https://livestream.com/accounts/3411104>.

**In addition, if a member of the public wishes to hear, observe, participate in and provide public comment at the meeting, using Livestream/Zoom, they may do so by coming to the Boardroom at 893 Southwood Boulevard, Incline Village, Nevada. A notification of this attendance would be greatly appreciated by telephoning the District Clerk at (775) 832-1207 or sending an e-mail to [info@ivgid.org](mailto:info@ivgid.org). We appreciate your help with this process. (Reference is made to Assembly No. 253)**

- A. PLEDGE OF ALLEGIANCE\*
- B. ROLL CALL OF TRUSTEES\*
- C. INITIAL PUBLIC COMMENTS\* - *Unless otherwise determined, the time limit shall be three (3) minutes for each person wishing to make a public comment. Unless otherwise permitted by the Chair, no person shall be allowed to speak more than once on any single agenda item. Not to include comments on General Business items with scheduled public comment. The Board of Trustees may address matters brought up during public comment at the conclusion of the comment period but may not deliberate on any non-agendized item.*

- D. APPROVAL OF AGENDA (*for possible action*)

*The Board of Trustees may make a motion for a flexible agenda which is defined as taking items on the agenda out of order; combining agenda items with other agenda items; removing items from the agenda; moving agenda items to an agenda of another meeting, or voting on items in a block.*

**-OR-**

*The Board of Trustees may make a motion to accept and follow the agenda as submitted/posted.*

- E. REVIEW OF THE LONG RANGE CALENDAR (*for possible action*) – **page 4**
- F. REPORTS TO THE BOARD\* - Reports are intended to inform the Board and/or the public.
1. Mr. Andy Chapman of the Incline Village/Crystal Bay Visitors Bureau: PowerPoint Presentation on the TART Connect Microtransit Pilot Program – **pages 5 - 12**
  2. Tri-Strategies Verbal Report of the 2021 Legislative Session – Mr. Eddie Ableser and/or Mr. Paul Klein – **pages 13 - 16**

- G. CONSENT CALENDAR (*for possible action*) (In cooperation with the Chair, the General Manager may schedule matters for consideration on a Consent Calendar. The Consent Calendar may not include changes to budget, user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing. Each consent item shall be separately listed on the agenda, under the heading of "Consent Calendar". A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section. Any member of the Board may request the removal of a particular item from the Consent Calendar and that the matter shall be removed and addressed in the General Business section of the meeting. A unanimous affirmative vote shall be recorded as a favorable motion and approval of each individual item included on the Consent Calendar.)
1. Review, discuss and possibly authorize a 2021 Unemployment Insurance Renewal with First Nonprofit (Requesting Staff Members: Director of Finance Paul Navazio and Director of Human Resources Erin Feore) – **pages 17 – 36**

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### Incline Village General Improvement District

*Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.*

893 Southwood Boulevard, Incline Village, Nevada 89451 • (775) 832-1100 • FAX (775) 832-1122

[www.yourtahoeplace.com](http://www.yourtahoeplace.com)

# NOTICE OF MEETING

Agenda for the Board Meeting of June 9, 2021 - Page 2 – **Revision 1**

2. Review, discuss, and possibly authorize a Professional Services Agreement for the Effluent Pipeline Project#2524SS1010 – Fund: Utility; Division: Sewer; Vendor: HDR in the amount of \$115,614 for the Effluent Pipeline Design Project - Phase I **Critical** Pipeline **Repair** Design Professional Services (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 37 - 55**
3. Review, discuss, and possibly authorize a Professional Services Agreement for the Effluent Pond Lining, Project#2599SS2010, Fund: Utility; Division: Sewer; Vendor: Jacobs Engineering, Inc. in the amount of \$36,000 for the Effluent Pond Lining Final Design Project - Phase I Pond Lining Alternative Analysis Design Professional Services (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 56 - 79**

## H. GENERAL BUSINESS (*for possible action*)

1. Review, discuss, and possibly authorize or approve Contract Amendment for Additional Architectural Services associated with the Recreation Center Men's and Women's Locker Room Remodel, Project#4899FF1202, Fund: Community Services; Division: Recreation; Vendor: Ward-Young Architecture for Architectural Services Additional Services Addendum #4 in the amount of \$17,000. (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 80 - 92**
2. Review, discuss and possibly authorize Amendment #1 to the Interlocal Contract Amendment with Nevada Division of State Lands for Sale and Transfer of Coverage Owned by Incline Village General Improvement District (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 93 - 164**
3. Review, discuss and take action to reject the bids for the Slott Peak Court Water Main Replacement Project; 2021/2022 Capital Improvement Project: Fund: Public Works; Division: Water; Project #2299WS1706 in accordance with NRS 338.1385, paragraph 6, subparagraph (d). (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 165 - 168**
4. Conduct interview(s) with applicants Derrek Aaron, Yolanda Knaak, and Chris Nolet **and** review, discuss and possibly make an appointment of one (1) Audit Committee At-Large Member (Policy 15.1.0) for a two-year term beginning July 1, 2021 (Requesting Trustee: Audit Committee Chairman Matthew Dent) – **pages 169 - 182**
5. Review, discuss and possibly take action as it relates to Policy 15.1.0: Accounting, Auditing and Financial Reporting: Audit Committee; Organization: Confirm the two Board of Trustees appointments (Requesting Trustee: Audit Committee Chairman Matthew Dent) – **page 183**
6. Review, discuss and possibly direct Staff to develop a scope of work and solicit bids to engage an attorney to refine and/or create policies to ensure the District is in compliance with Dillion's Rule related to employee benefits and for outside contractors (Requesting Trustee: Audit Committee Chairman Matthew Dent) – **pages 184 - 196**
7. Review, discuss and possibly direct Staff to price long term rentals and/or the lease of property at market rates, with the exception of non-profit organizations which would be provided a 10% discount

**and**



# NOTICE OF MEETING

Agenda for the Board Meeting of June 9, 2021 - Page 3 – **Revision 1**

Additionally, to review, discuss and possibly determine the direction for updating necessary policies

(Requesting Trustee: Audit Committee Chairman Matthew Dent) – **pages 197 - 207**

8. Review, discuss and provide feedback for the District Strategic Plan 2021 – 2023 (Requesting Staff Member: District General Manager Indra Winquest) – **pages 208 - 227**
9. Review, discuss and potentially authorize payment to the Special Master Matthew Sharp in Mark E. Smith v. IVGID, Case No. CV18-01564 in an amount of \$12,500 (Requesting Trustee: Chair Tim Callicrate; Requesting Staff Member: District General Counsel Josh Nelson) – **pages 228 - 229**

I. MEETING MINUTES (*for possible action*)

1. Meeting Minutes of May 5, 2021 – **pages 230 - 268**

J. FINAL PUBLIC COMMENTS\* - Limited to a maximum of three (3) minutes in duration.

K. ADJOURNMENT (*for possible action*)

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## CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Friday, June 4, 2021 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of June 4, 2021) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were e-mailed to those people who have requested; and a copy was posted, physically or electronically, at the following locations in accordance with Assembly Bill 253:

1. IVGID Anne Vorderbruggen Building (893 Southwood Boulevard, Incline Village, Nevada; Administrative Offices)
2. IVGID's website ([www.yourtahoepace.com/Board of Trustees/Meetings and Agendas](http://www.yourtahoepace.com/Board of Trustees/Meetings and Agendas))
3. State of Nevada public noticing website (<https://notice.nv.gov/>)

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

District Clerk (e-mail: [sah@ivgid.org](mailto:sah@ivgid.org)/phone # 775-832-1207)

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**Board of Trustees:** *Tim Callicrate - Chairman, Matthew Dent, Sara Schmitz, Kendra Wong, and Michaela Tonking.*

**Notes:** *Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Those items followed by an asterisk (\*) are items on the agenda upon which the Board of Trustees will take no action. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1100 at least 24 hours prior to the meeting. **IVGID'S agenda packets are available at IVGID's website, [www.yourtahoepace.com](http://www.yourtahoepace.com); go to "Board Meetings and Agendas".***

DATE	DAY OF THE WEEK	TIME	LOCATION	TYPE OF MEETING - 2021	COMPLETED MEMORANDUMS WITH ALL BACK UP MATERIALS FOR AGENDA ITEMS FROM BOARD MEMBERS/STAFF DUE DATES	ITEMS SLATED FOR CONSIDERATION
07/13	Tuesday	6 p.m.		Regular Board Meeting	07/06/2021 8 a.m.	Public Records Update (in GM report) Raftelis Report Presentation Washpad project (award on June 23, 2020) Effluent Pipeline – HDR Contract Amendment Effluent Pipeline – Granite Contract Amendment Rec Center Locker Room – Design option presentation Project #3462HE1702 – Lakeview Ski Lift Maintenance and Improvements (budget is \$75K) Project #3463HE1728 – Replacement of 2011 Grooming Vehicle #645 (budget is \$400K) Project #3463SI1002 – Replacement of Snowmaking Infrastructure (budget is \$160K) Project #3467LE1703 – Replacement of Child Ski Center Surface Lift (budget is \$75K)
TBD	TBD	TBD		Special Board Meeting		GM's Ordinance 7 Committee recommendations
08/10	Tuesday	6 p.m.		Regular Board Meeting	08/02/2021 8 a.m.	4th Quarter Financial Report (tentative) Award construction contract for Phase 1 of the cart paths at Mountain Golf Course Incline Beach House – revisit where we have been, revisit financing options and how does the Board want to move forward (tentative) Public Records Update (in GM report)
08/25	Wednesday	6 p.m.		Regular Board Meeting	08/17/2021 8 a.m.	General Manager Performance Review and Review of Goals for FY 2020/2021 Award Contract to conduct a Utility Rate Study
09/09	Thursday	6 p.m.		Regular Board Meeting	08/30/2021 8 a.m.	Public Records Update (in GM report)
09/30	Thursday	6 p.m.		Regular Board Meeting	09/21/2021 8 a.m.	Next step on Diamond Peak parking lot/Ski Way
10/13	Wednesday	6 p.m.		Regular Board Meeting	10/04/2021 8 a.m.	Public Records Update (in GM report)
10/28	Thursday	6 p.m.		Regular Board Meeting	10/19/2021 8 a.m.	
11/10	Wednesday	6 p.m.		Regular Board Meeting	11/01/2021 8 a.m.	Public Records Update (in GM report)
12/08	Wednesday	6 p.m.		Regular Board Meeting	11/29/2021 8 a.m.	Public Records Update (in GM report)
				2022		
01/12	Wednesday					
01/26	Wednesday					
02/09	Wednesday					
02/23	Wednesday					
03/09	Wednesday					
03/30	Wednesday					
04/13	Wednesday					
04/27	Wednesday					
05/11	Wednesday					
05/25	Wednesday					
06/08	Wednesday					
06/29	Wednesday					
07/13	Wednesday					
07/27	Wednesday					

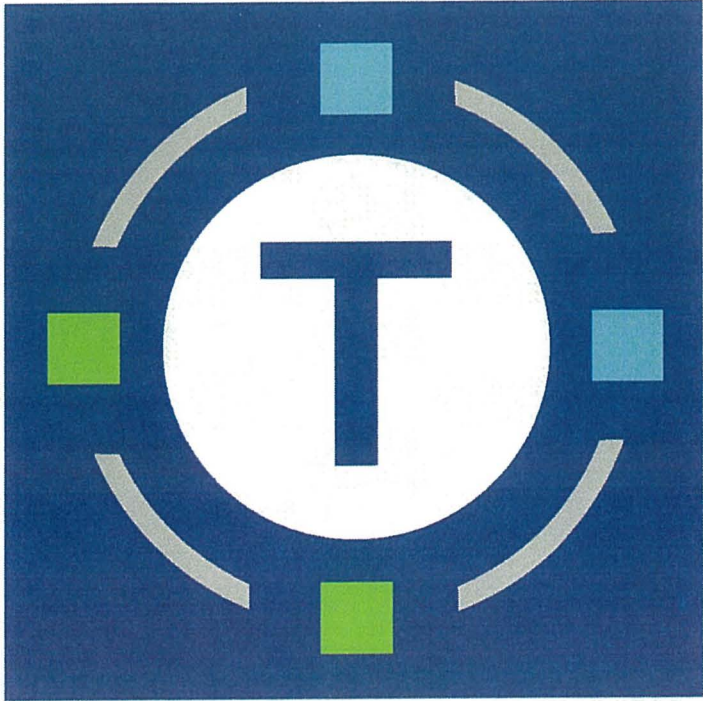
Items sitting in the parking lot (to be discussed but (a) not yet scheduled for a specific Regular Board Meeting) or (b) a future Board not on this calendar
RFID Picture Passes – Item for next Strategic Plan or three years from now
Revisions to/Split Ordinance 7 (allow 45 days ahead of action)
Report on audit of recreation and beach fees (request made at 12/9/2020 meeting)
Tyler Technologies project status report (request made at 01/13/2021 meeting) will be in the General Manager's report
Possible discussion on IVGID needs as it relates to potential land use agreement with DPSEF (Request by Trustee Schmitz – 01/18/2021)
Develop a policy and criteria for Professional Services (see Moss Adams 1 Report) (Request by Trustee Schmitz – 03/10/2021; asked again on 4/29/2021)
Framework for pricing across the District (Request by Trustee Schmitz – 03/10/2021)
Tax implications for benefits for employees (Request by Trustee Schmitz – 03/10/2021 – District General Counsel Nelson is working on an opinion)
Review of service levels – Golf will be coming first – date to be determined
Discussion, by the Board of Trustees, what they want to see in the Staff submitted memorandums (Request by Trustee Schmitz – 04/29/2021)

\*Budget approval is required after the third Monday however whatever date is selected, a 10-day notice must be given. Must accomplished no later than June 1, 2022.





# TART Connect





# TART Connect Microtransit Pilot Summer 2021

- Operations (vehicles & drivers) provided by Downtowner, LLC – Operator of Mountaineer in Squaw/Alpine
- Managed by Placer County DPW – Transit Division and Truckee North Tahoe TMA in Partnership with the Tahoe Transportation District (TTD) in conjunction with IVCBVB.
- Days of operation: June 24 – September 6, 2021
- Hours of operation: 8:00AM-Midnight
- 11 vehicles in maximum service
- Three Zones:
  - Kings Beach/Tahoe Vista/Brockway/Crystal Bay
  - Tahoe City/Dollar Point/Westshore
  - Incline Village/Crystal Bay
- App-Based On-Demand with Goal of 15-minute max wait time for pick-up
- Curb-to-Curb within Zones & Connections to Regional TART
- Branded as a service of TART Connect
- Rides can be reserved via the TART Connect App or by calling (530-214-5811)



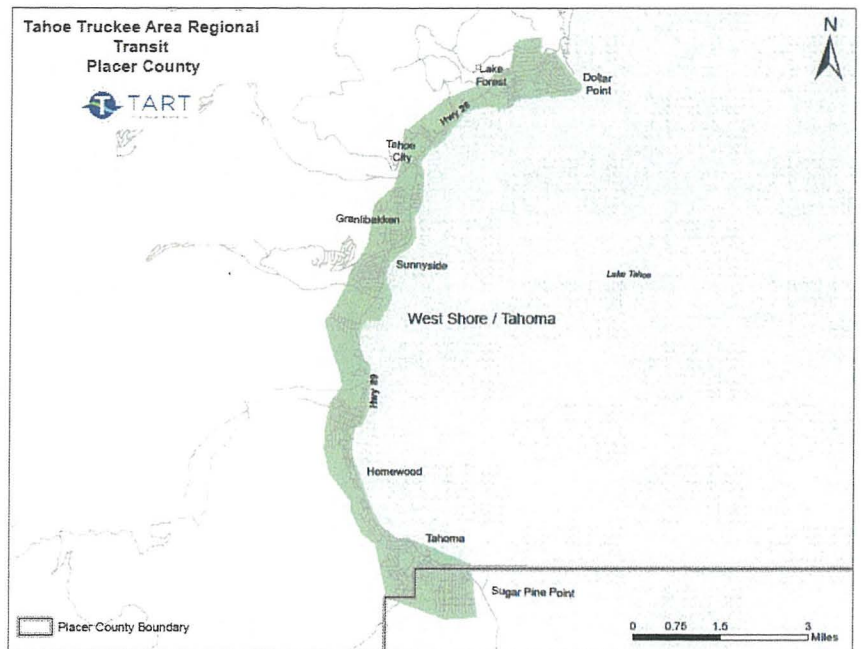
# TART Connect Microtransit Pilot Summer 2021

- 75-Day Pilot
- Introducing App based technology to the public transit system
- Funding:
  - Placer County is funding the service using Transient Occupancy Tax (TOT) dollars made available with the newly passed North Lake Tahoe TBID.
  - Incline Village/Crystal Bay Visitors Bureau is funding the service using a onetime surplus of Transient Occupancy Tax Dollars within Incline Village/Crystal Bay.
- Ridership will be evaluated in conjunction with fixed route bus service
- Final program reporting will be made available in October/November 2021
- Additional Pilot Phases will need to be evaluated with fixed route service before substantial changes are made to the current transit system



# TART Connect Summer 2021 Pilot Zone #1

Dollar Hill/Tahoe  
City/Granlibakken/Sunnyside/  
Homewood/Tahoma

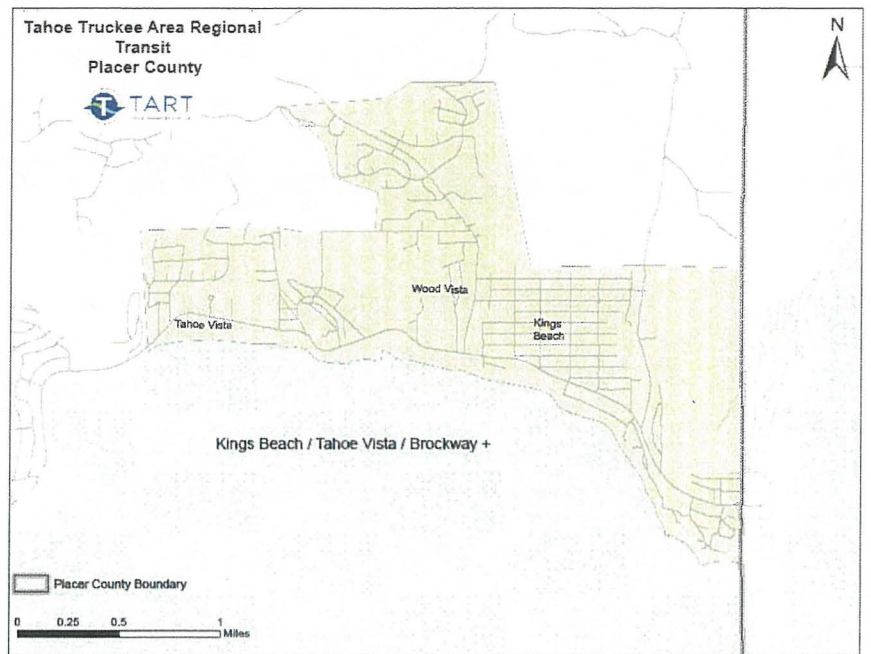






# TART Connect Summer 2021 Pilot Zone #2

Kings Beach/Tahoe  
Vista/Brockway/Crystal Bay-  
Stateline





**TART Connect  
Summer 2021 Pilot  
Zone #3  
Crystal Bay-Stateline/Incline  
Village**





# TART Connect Marketing and Public Outreach





# Technology Based Enhancement to the TART System





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## Incline Village General Improvement District legislative report (FINAL)

After 120 days of work, the 81st Nevada legislative session ended late in the night on Monday, May 31. For general interest, the top five bills that garnered the most headlines include the following:

1. **Mining tax:** The legislature passed a mining tax package that allocates \$500 million to public education. (src. [AB495](#))
2. **Mail ballots:** All active registered voters will be sent a mail ballot starting in the 2022 election. (src. [AB321](#))
3. **Primary election:** Nevada's presidential caucus was replaced with a primary election, the first in the presidential primary calendar ahead of New Hampshire and Iowa. (src. [AB126](#))
4. **The Public Option:** The legislature adopted a state-managed public health insurance option, known as the Public Option. (src. [SB420](#))
5. **American Rescue Plan:** Lawmakers earmarked federal American Rescue Plan dollars for unemployment liabilities, public health and food insecurity programs, and other priorities for the impending \$2.7 billion in federal COVID relief funding coming into the state. (src. [SB461](#))

Note: Governor Sisolak is planning to call for a Special Legislative Session, which will charge the lawmakers with deploying the federal funds from The American Rescue Plan Act of 2021. Prior to scheduling the session, the governor's staff is awaiting final guidance of how the federal money can be spent.

**As for specific IVGID legislative affairs efforts, a status report of bills is as follows:**

### Bills passed that impact IVGID

**AB63:** This bill expands the use of a fund to include mitigating the effects of an emergency which is declared by the local government. (src. [AB63](#))

**AB154:** Authorizes a public utility to provide required notices by electronic transmission to customers, such as rate adjustments. (src. [AB154](#))

**AB280:** Is a bill requiring any future single-stall public restroom in the state to be designated as gender neutral. (src. [AB280](#))

**AB253:** Sets requirements for meetings of public bodies that use remote technology systems, revises the notice requirements, and revises provisions relating to the privilege of certain persons to publish defamatory matters. (src. [AB253](#))<sup>1</sup>

**AB363:** A bill that revises provisions governing transient lodging. (src. [AB363](#))

**AB410:** Requiring a contract between a public body and a construction manager as agent to be awarded through a competitive bidding process. (src. [AB410](#))

**AB448:** There will be a new interim legislative structure, with interim joint standing committees, a change aimed at increasing continuity and policy expertise between legislative sessions. (src. [AB448](#))

**SB77:** Exempting certain predecisional and deliberative meetings of public bodies from the requirements of the Open Meeting Law. (src. [SB77](#))

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<sup>1</sup> AB253: The Open Meeting Law authorizes a public body to conduct a meeting by means of teleconference or videoconference. (NRS 241.023) Section 3 of this bill authorizes, under certain circumstances, a public body to conduct a meeting using a remote technology system. Section 1 defines "remote technology system" as a system or other means of communication which uses electronic, digital or other similar technology to enable a person from a remote location to attend, participate, vote or take any other action in a meeting even though the person is not physically present at the meeting. Section 2 of this bill requires the notice of a public meeting that uses a remote technology system to include information about how a member of the public may hear, observe, participate in and provide public comment at the meeting through the remote technology system. The Open Meeting Law sets forth the minimum public notice requirements of a meeting, which include posting a copy of the notice at the principal office of the public body or, if there is no principal office, at the building in which the meeting is to be held, and at not less than three other separate, prominent places within the jurisdiction of the public body not later than 9 a.m. of the third working day before the meeting. (NRS 241.020) Section 2 of this bill requires, instead, that the public body post a copy of the notice at the principal office of the public body. Additionally, sections 2 and 3 require that if a public body holds a meeting using a remote technology system and does not have a physical location for the meeting, the public body is required to have an Internet website and post on its Internet website the notice of the meeting and any supporting material for the material. Section 3 of this bill: (1) sets forth certain requirements for a public body to hold a meeting using a remote technology system; and (2) prohibits a public body whose members are all required to be elected officials from holding a meeting using a remote technology system unless the public body designates a physical location where members of the public may attend and participate in the meeting. The Open Meeting Law provides that a witness who is testifying before a public body is absolutely privileged to publish defamatory matter as part of a public hearing. (NRS 241.0353) Section 5 of this bill provides, instead, that, subject to a qualified privilege, a witness who is testifying before a public body may publish defamatory matter as part of a public hearing. Existing law requires certain agencies of the Executive Department of the State Government, at the time of giving notice of intent to act upon a regulation, under certain circumstances, to deposit one copy of the notice and text of the proposed regulation with the librarian of the main public library in the county. (NRS 233B.0607) Section 6 of this bill requires, instead, that the agency post a copy of the notice and text on the Internet website of the agency. Section 6 also requires that the agency provide in print or an electronic format a copy of the notice and text to any person who requests a copy from the agency.

**SB109:** Requires governmental agencies to request information related to sexual orientation and gender identity and reporting the information annually. (src. [SB109](#))

**SB368:** Relates to the Lake Tahoe Basin, requiring the issuance of general obligation bonds to carry out certain environmental improvement projects. (src. [SB368](#))<sup>2</sup>

## **Bills tracked that failed:**

**ACR4:** A bill that creates an interim study of General Improvement Districts.

**AB39:** Clarifying the records of a governmental entity that are required to be made available to the public by defining “public book or record” as all recorded information, excluding notes or personal materials that do not have an official purpose.

**AB276:** Is a public records bill that allows the requester to recover an amount that is double the cost of the suit, in addition to his or her costs and attorney's fees.

**SB11:** Authorizes Washoe County to impose a supplemental governmental services tax of \$0.01 per \$1.00 of valuation of a vehicle. Proceeds from the tax are to be used for road construction, maintenance, homelessness and welfare programs.

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<sup>2</sup> SB368: *The Environmental Improvement Program was implemented in 1997 to carry out projects to improve the environment in the Lake Tahoe Basin. The costs of the Program are apportioned among the Federal Government, the States of Nevada and California and local governments and owners of private property in both states. In 1999, the Nevada Legislature authorized the issuance of not more than \$56.4 million in general obligation bonds to pay for a significant portion of Nevada's share of the costs of the first phase of the Program. (Chapter 514, Statutes of Nevada 1999, at page 2626) In 2009, the Nevada Legislature authorized the issuance of not more than \$100 million in general obligation bonds to pay for Nevada's share of the costs of the second phase of the Program beginning on July 1, 2009, and ending on June 30, 2020. (Chapter 431, Statutes of Nevada 2009, at page 2417) In 2017, the Nevada Legislature extended the deadline for the issuance of the remainder of the general obligation bonds that were authorized in 2009 for the second phase of the Program from June 30, 2020, to June 30, 2030. (Chapter 32, Statutes of Nevada 2017, at page 137) Issuance of those bonds requires the approval of the Legislature or the Interim Finance Committee. (Chapter 431, Statutes of Nevada 2009, at page 2417) The Nevada Legislature in 2009 required the issuance of not more than \$4,420,000 of such bonds to provide money to carry out certain environmental improvement projects included in the second phase of the Program. (Chapter 431, Statutes of Nevada 2009, at page 2416) In 2011, the Nevada Legislature required the issuance of not more than \$12 million of the \$100 million in general obligation bonds authorized in 2009 to provide additional money to carry out environmental improvement projects included in the second phase of the Program. (Chapter 437, Statutes of Nevada 2011, at page 2638) In 2019, the Nevada Legislature required the issuance of not more than \$8 million of the \$100 million in general obligation bonds authorized in 2009 to provide money to carry out certain environmental improvement projects included in the second phase of the Program. (Chapter 167, Statutes of Nevada 2019, at page 891) This bill requires the issuance of not more than \$4 million of the \$100 million in general obligation bonds authorized in 2009 to provide money to carry out certain environmental improvement projects included in the second phase of the Environmental Improvement Program.*

**SB39:** Authorizing the State Treasurer and governmental entities to accept digital tokens, such as stablecoins.

**SB221:** Requirements of certain public employees bill,

**SB322:** A short-term rentals bill.

###

**Thank you.**

**Paul Klein**  
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**Ricky Gourrier**  
702) 232-1014  
Ricky@Tri-Strategies.com



## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Erin Feore  
Director of Human Resources

Paul Navazio  
Director of Finance

**SUBJECT:** Review, discuss and possibly approve 2021 Unemployment Insurance Renewal with First Nonprofit

**DATE:** May 6, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees move to authorize the District General Manager to execute the annual renewal of the District's Unemployment Insurance coverage through a Bonded Service Agreement with First Nonprofit Companies, Inc. (attached hereto)

### **II. BACKGROUND**

IVGID has contracted with First NonProfit since January 2004 for third-party unemployment claims assistance such as auditing benefit charges, processing separation data and claims, attending unemployment hearings on behalf of the District, providing claims status reports and providing an HR related website program for workplace compliance training.

In 2020, and as the result of the unprecedented COVID-19 pandemic, the District experienced record-setting unemployment claims related to the early closure of the Diamond Peak Ski Resort, closed or limited operations of other recreation venues and administrative offices, and employee participation in provided unemployment insurance provisions offered by the Federal government. For example, the Pandemic Unemployment Assistance (PUA) program for the State of Nevada provided monetary benefits to employees who were unable to work as the result of a COVID-19 related issue, regardless of availability or offers of

employment. This was a change from the standard eligibility requirements for unemployment benefits with the State of Nevada. Further, the PUA program offered additional unemployment benefits, separate from the regular benefits offered. So, for example, if an employee was eligible for the “regular” unemployment benefit, they may receive up to \$469 per week (depending on their determined benefit eligibility rate. This same individual who may also qualify for PUA benefits may have received an additional \$300 per week. While this benefit expired in 2020, it should be noted that, per the American Rescue Plan, federal unemployment benefits of \$300 per week continue through week ending September 4, 2021. These federal unemployment benefits are in addition to State benefits and are available to claimants who are eligible for unemployment compensation.

### **III. FINANCIAL IMPACT AND BUDGET**

The annual bonded service agreement recommended for approval is for a fixed fee of \$413,000. This fee represents an increase of \$228,000 over the fixed fee for calendar year 2020 that is due primarily to enhanced unemployment insurance benefits mandated by the Federal government in response to the impacts of the COVID-19 pandemic on jobs and employment.

Funding to cover the increased cost of unemployment insurance in the current fiscal year is available through salary savings within the District’s personnel budget across all funds. Funding to cover the first two quarters of the 2021/2022 fiscal year, through December 31, 2022, is provide in the FY2021/22 budget, that was approved by the Board of Trustees on May 26, 2021. A budget augmentation for the first half of calendar year 2022 (second half of FY2021/22) will more than likely be required. However, at this time we do not have information relative to coverage and claims that will inform the fixed fee to be charged in calendar year 2022. As such, Staff anticipates returning to the Board early in 2022 with updated information on unemployment insurance claims and rates, and will be prepared to recommend any necessary budget augmentations, if needed, as part of the mid-year budget update.

### **IV. ALTERNATIVES**

None; the District must have Unemployment Insurance.

### **V. COMMENTS**

This item is included on the Consent Calendar as it is a required item of doing business within the State of Nevada and is a budgeted item in both Fiscal Years 2020/2021 and 2021/2022.



## BONDED SERVICE AGREEMENT

WHEREAS the Client named in Item 1 of the attached Schedule has duly qualified as a reimbursing employer pursuant to the unemployment compensation laws of the State indicated in Item 2 of the Schedule and has thereby become liable to reimburse the State for those unemployment compensation benefits paid by the State to former employees of the Client legally entitled to such benefits, and

WHEREAS First Nonprofit Companies, Inc., hereinafter referred to as FNP, has established and administers an alternative unemployment compensation funding and cost control program which includes the management of an Unemployment Benefit Loss Fund to finance the Client's unemployment benefit charges and liability pursuant to the terms of this contract.

THEREFORE, the parties agree to the following:

### 1. FNP's Duties

FNP shall assume any and all obligations of the Client's for unemployment claims billed to the Client and paid by the State indicated in Item 2 of the attached Schedule, during the term of this contract, as indicated in Item 3 of the Schedule. FNP will not be held liable for any weeks of unemployment benefits actually paid by the applicable State unemployment compensation agency indicated in Item 2 of the Schedule, but not billed to the Client prior to the effective date of this contract.

At the termination of this contract, FNP's liability shall cease after FNP has paid the Client's obligations for all weeks of unemployment benefits paid by the applicable State unemployment compensation agency indicated in Item 2 of the Schedule for the final quarter covered by this contract, as indicated in Item 3 of the Schedule and for which the specified fee has been paid to FNP. It is further understood that FNP has no liability for payment of unemployment benefits for any period unless timely payment of fees, as provided herein, has been made by the Client.

Further, FNP, at its own expense, shall:

1. Maintain an Unemployment Benefit Loss Fund from which unemployment benefit payments will be made to the State unemployment compensation agency indicated in Item 2 for all unemployment benefits paid to former employees of the Client and covered by this Contract.
2. Secure a Master Contract Bond supporting the commitments of FNP under this contract with a Surety Company agreeable to both parties. A Contract Bond

### FIRST NONPROFIT

1 South Wacker Drive, Suite 2180 • Chicago, IL 60606 • 312.728.9963 • Fax: 312.239.8368  
www.firstnonprofit.com

Attachment Rider naming the Client an "Obligee" of the Master Bond is affixed and made part of this contract. If at any time the Master Bond or the affixed Contract Bond Attachment Rider no longer secures commitments under this contract, this contract for services shall be immediately terminated.

3. Pay the State unemployment agency or the Client an amount equal to all benefits subject to and in compliance with the terms of this contract, upon receipt of a statement of benefit charges paid by the State unemployment agency on behalf of the Client and subject to the terms of this contract. It is expressly understood that FNP will not be liable for any penalty or interest incurred as a result of the Client's actions or inactions.
4. Retain a professional unemployment claims management firm agreeable to both parties, as indicated in Item 4 of the attached Schedule, to provide the following services:
  - (a) Accumulate and record all separation and wage information forwarded by the Client.
  - (b) Examine all claims forms within the permitted period and take such actions as required to deny payment of benefits or the assessment of charges for any benefits deemed to be inappropriate or non-qualifying, including representation of the Client at hearings, where permitted by State law.
  - (c) Maintain accurate records of each claim describing any action taken to deny liability, showing details of separation reason, determinations, decisions, and payments made for that claim.
  - (d) Furnish timely reports showing all claims filed and their status, including but not limited to the payment status, total liability, and total payments made.
  - (e) Audit all benefit charge statements and take such actions as required to remove or reduce the charges on any claims payments deemed to be inaccurate or unwarranted.
  - (f) Provide loss control services including on-site training, when necessary, to reduce and contain unemployment benefit charges and liability.

## **2. Client's Duties**

The Client shall pay to FNP at the inception of this contract a provisional service fee based on the rates set forth in Item 5 of the Schedule for all employees covered under this contract applied to the estimated wages reported to the applicable State unemployment agency indicated in Item 2 of the attached Schedule for each classification of employees. Any service fee computed on estimated wages or minimum annual fee will be properly adjusted by FNP when actual wages are available.



The estimated service fees computed under this contract shall be due and payable on the first day of each covered calendar quarter, beginning with the effective date of the contract. The service fee shall be computed based on an amount equal to one-fourth of the minimum annual fee, as stated in Item 5 of this contract. At the completion of four quarters under this contract, the actual fee for the four quarter period will be adjusted based on the actual wages reported for said period. Any decrease or increase in the service fee resulting will be credited or billed and payable in conjunction with the next quarterly deposit fee under this contract.

As the application and management of unemployment claims administration and cost control is essential to containment of unemployment compensation costs and liability, the Client agrees to implement unemployment cost control and claims administration measures in cooperation with the designated unemployment claims management firm, as set forth in Item 4 of the attached Schedule, hereinafter referred to as the "Claims Manager."

### **3. Further the Client Hereby Agrees to**

1. Disclose, prior to the effective date of this contract, any and all plans and/or pending discussions concerning any actions that has caused or may result in employee layoffs, reductions in hours worked and and/or wages paid to employees, mergers, or any planned separations that potentially could result in unemployment claims.
2. Submit timely and properly documented separation information so that the Claims Manager may provide a timely and accurate response to the state unemployment agency indicated in Item 2 of the Schedule to assure that only those claimants entitled to receive benefits do so.
3. Submit all claims, claims documents, and or correspondence of any kind related to unemployment claims and/or unemployment benefit charges, whenever received from the state unemployment agency named in Item 2 to the Claims Manager on a timely basis.
4. Cooperate with the Claims Manager by providing, on a timely basis as defined by the Nevada Department of Employment, Training and Rehabilitation, all appropriate personnel information related to claims for unemployment benefits.
5. Provide appropriate witnesses, as determined by the Claims Manager in consultation with Client, to attend appeal hearings for claims.
6. Report wages to the applicable State unemployment agency indicated in Item 2 of the attached Schedule on a quarterly basis for all employees covered by this contract.
7. Notify FNP upon learning of any separations or claims for unemployment benefits at any time during the term of this contract.

### **4. Limitations**

FNP shall not be liable for and may deny the payment of obligations of the Client with respect to unemployment compensation benefits attributable to any period for which the Client has failed to submit timely payment in full of service fees pursuant to this contract as provided herein or arising out of or in consequence of:

- a) Failure to comply with those duties set forth in Section 3 of this contract providing the benefits in question resulted from the negligent action or inaction of the Client and not the result of action or inaction by the Claims Manager.
- b) Employer "lock-outs" or work stoppages, strikes, or other labor disputes.
- c) Failure to provide letters of assurance to employees of educational institutions for continued employment after a vacation or semester break if reasonable assurance of their continued employment exists.
- d) Reduction in the employment terms that extend seasonal unemployment for employees of organizations engaged in the administration of Head Start program(s).
- e) War, hostilities, whether war be declared or not, invasion, or civil war.
- f) A casualty or natural disaster, including but not limited to, earthquake, flood, hurricane, tornado, or fire.
- g) Voluntary and/or involuntary discontinuance of business operation, in whole or in part, whether permanent or temporary.

## **5. Transfer of Rights and Remedies**

Should the Client be entitled to refunds or credits for any unemployment compensation benefits previously paid by FNP on behalf of the Client, the Client hereby transfers and assigns its rights and remedies to such refunds and credits to FNP.

## **6. Subrogation and Recoveries Thereunder**

Subrogation. In addition to Section 5, upon FNP's payment to the State unemployment agency or to the Client benefits which are subject to and in compliance with the terms of this contract, FNP shall be subrogated to and control all of the Client's rights to seek and/or obtain recovery for any of the benefit amounts paid by FNP under the terms of this contract. Accordingly, FNP may in its sole discretion seek its recovery of these benefit amount(s) from the Client or any person, entity and/or organization. Upon FNP's request, Client shall promptly execute all documents as well as promptly provide and/or execute perform all acts necessary for the preservation along with the enforcement of FNP's right(s) to seek recovery under this Section. The Client shall not either by its action, omission, or failure to act do (or not do) anything which could prejudice, abridge, or limit FNP's subrogation rights under this Section.

Subrogation Recoveries. All recoveries by FNP under this Section shall be applied to (or credited to) Client's Unemployment Benefit Loss Fund or, if the Client is no longer a participant

in Unemployment Benefit Loss Fund, and the recovery is made directly to Client then Client shall pay to FNP an amount equal to the recovery.

## **7. Unemployment Compensation Act**

The term unemployment compensation benefits as used herein refers only to those benefits as defined by law of the applicable State indicated in Item 2 of the attached Schedule, but does not in any way, nor is the intent of this contract to, include any provisions of any code or law which provides disability benefits or disability insurance.

The amount and maximum period of any benefits payable as unemployment compensation benefits shall be deemed to be only those amounts set forth in the relevant acts of the applicable State indicated in Item 2 of the Schedule at the inception of this contract or named in any subsequent renewal thereof. In the event the State amends the eligibility, duration or amount of benefits an individual claimant may qualify to collect, FNP reserves the right to adjust the specified fee set forth herein effective the first day of the next calendar quarter by providing the Client thirty (30) days written notice. The Client reserves the right to reject any adjustment to the specified fee and if so, this contract shall terminate on the last day of the calendar quarter in which such notice was delivered.

## **8. Inspection and Audit**

FNP, or its representatives, shall be permitted at all reasonable times during the continuance of this contract, and so long as FNP's liability exists, to examine the Client's records so far as they relate to FNP's liability and fees or other rights and remedies pursuant to the terms of this contract.

## **9. Misrepresentation**

This contract shall be void if the Client or any representative thereof has failed to disclose, concealed or misrepresented any fact material to the issuance of this contract, the subject benefits covered hereunder, and the resulting issuance of the Contract Bond Attachment Rider. In any such event, the Contract Bond Attachment Rider and this contract shall be rescinded.

## **10. Non-Assignment**

This Contract may not be assigned, in whole or in part, without the prior written consent of all parties.

**11. Duration and Termination**

The term and effective date of this contract are set forth in Item 3 of the attached Schedule. This contract may be cancelled for failure by either party to perform any of its obligations set forth herein and agreed by both parties pursuant to this contract, provided that thirty (30) days written notice is given to the other party declaring such intent to cancel. This contract shall be terminated immediately if the Client discontinues operations either voluntarily or involuntarily.

**12. Interpretation and Venue**

This contract shall be subject to and interpreted under the laws of the state of Nevada. Venue shall be in Washoe County or the federal district court with jurisdiction over such county.

WHEREFORE, the parties have executed this contract on the dates set forth by their respective signatures.

DATED: INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

\_\_\_\_\_

\_\_\_\_\_  
Name/Title

893 Southwood Boulevard  
Incline Village, NV 89451

DATED: FIRST NONPROFIT COMPANIES, INC.

\_\_\_\_\_

\_\_\_\_\_  
Joseph Poretto, Vice President, Sales & Marketing

1 South Wacker Drive, Suite 2180  
Chicago, IL 60606



## SCHEDULE FOR BONDED SERVICE AGREEMENT

### ITEM 1. CLIENT INFORMATION

**NAME:** Incline Village General Improvement District  
**ADDRESS:** 893 Southwood Boulevard, Incline Village, NV 89451  
**CONTACT PERSON:** Dee Carey, Director of Human Resources  
**COVERED ENTITIES:** Incline Village General Improvement District  
State Acct. No.: 0090031, FEIN: 88-0099974

### ITEM 2. APPLICABLE STATES: Nevada

**STATE UNEMPLOYMENT AGENCY:** Department of Employment, Training and Rehabilitation

### ITEM 3. TERM OF COVERAGE: One year, January 1, 2021 to December 31, 2021

### ITEM 4. CLAIMS MANAGER:

**NAME:** Employer Advocates  
**ADDRESS:** P. O. Box 25236, Salt Lake City, UT 84125

### ITEM 5. SERVICE FEE SCHEDULE: Flat fee of \$413,000 (invoiced at \$103,250 per quarter).

**A. Refund Provision:** If benefits charges paid during the term of the agreement are less than 77.5% of fees collected, Client will be eligible to receive a Refund. The Refund will be equal to 50% of the difference between 77.5% of fees collected and benefit charges paid during the term of the agreement.

DATED: INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

\_\_\_\_\_

\_\_\_\_\_  
Name/Title

893 Southwood Boulevard, Incline Village, NV 89451

DATED: FIRST NONPROFIT COMPANIES, INC.

\_\_\_\_\_

\_\_\_\_\_  
Joseph Poretto, Vice President, Sales & Marketing

1 South Wacker Drive, Suite 2180, Chicago, IL 60606

**FIRST NONPROFIT**

1 South Wacker Drive, Suite 2180 • Chicago, IL 60606 • 312.728.9963 • Fax: 312.239.8368  
www.firstnonprofit.com



# Incline Village General Improvement District

*January 2021 Renewal*

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# First Nonprofit

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- Founded by United Way in 1978
- Based in Chicago, Illinois
- Our State Unemployment Insurance (SUI) programs serve more than 2,100 nonprofits across the country, covering in excess of 550,000 employees.
- An Amynta Group Company
  - Jointly owned by AmTrust Financial and Madison Dearborn Partners



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2

# FNP National Nonprofit Partners

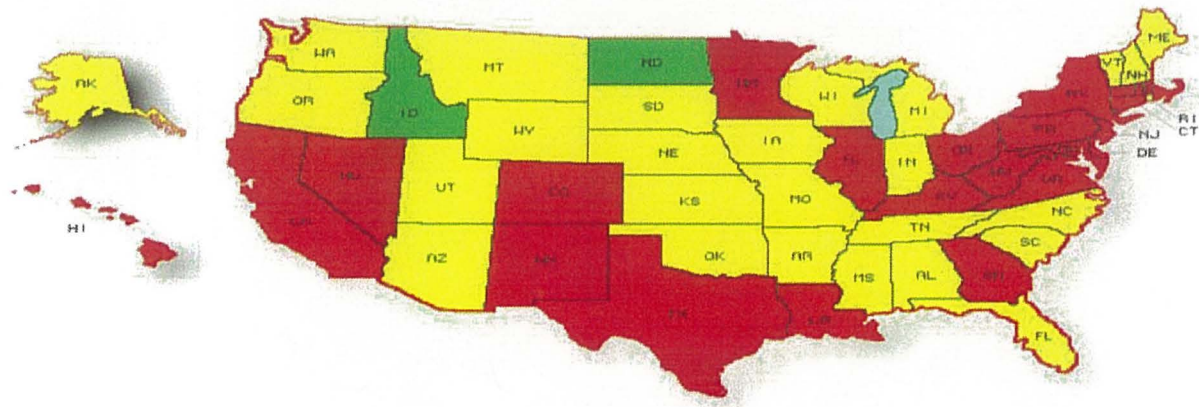


# Market Conditions



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# UI Trust Fund Solvency – UI Tax



The U.S. Map above depicts the status of state trust fund solvency as of March 17, 2021.  
**RED** states are those with an AHCM of 0.5 or less (including the Virgin Islands) that are most at risk and/or have an outstanding Title XII loan advance balance.  
**YELLOW** states are those with an AHCM of between 0.5 and under 1.0 and/or the last 12 months of benefits paid exceed the last 12 months of tax revenue.  
**GREEN** states are those with an AHCM of 1.0 or more.

Aggregate balance of UI Trust Funds:  
 -\$52,537,882



# American Rescue Plan Act – UI Provisions



## Regular UC

- WBA and duration determined by individual state law
- Current credit to Reimbursing Employers of 50% through Mar 14
- Passed—increase to 75% credit Apr 1 – Sept 6
- Therefore, 50% credit from Jan 1 - Mar 14 then 0% from Mar 15 – 31 then 75% from Apr 1 – Sept 6



## Supplemental payments

- Current payment of \$300 per week through Mar 14
- Passed - increase \$300 per week to Sept 6



## Pandemic Emergency Unemployment Compensation (PEUC)

- Current duration: 24 weeks, ending Apr 5
- Passed - extended weeks from 24 to 53 weeks, ending Sept 6



## Extended Benefits (EB)

- Available if state is triggered on up to 13 or 20 weeks
  - NEVADA: 20 Weeks
- Currently covered 100% by Feds through Mar 14
- Passed – extend 100% credit to Sept 6
- NOTE: credit only applies to 501 (c)(3) and DOES NOT APPLY TO GOV'T ENTITIES SUCH AS IVGID



## Transition UC-PEUC-EB

- If claimant on UC and it expires, they transition to PEUC and then EB
- If claimant on PEUC and it expires, then move to EB
- If claimant on EB, claimant will continue on EB until exhaustion then move back to PEUC to collect remaining weeks

NOTE: WorkShare/Short Term Comp: Extended 100% credit for states with plans in place to 9/6/21  
Maximum weeks of benefits available to claimant is 99 total weeks: 26 weeks of standard UC + 53 weeks of PEUC + 20 weeks of standard EB

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# 2021 Renewal Summary



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# Underwriting Notes

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- Benefit Charges (January - December)
  - 2017: \$129,833
  - 2018: \$129,242
  - 2019: \$ 96,858
  - 2020: \$720,251
    - 1Q '20: \$ 42,986
    - 2Q '20: \$ 303,789
    - 3Q '20: \$ 267,405
    - 4Q '20: \$ 106,070
  - 2021: \$ 94,020 (January - March only)
  
- 2021 Cost Factors
  - Tail Liability into 1/1/2021 term (as of 12/31/20): \$686,780
    - Standard UC (26 Weeks): \$251,528
      - Does not include \$142,088 for assumed Fraud claims and \$153,204 for claimants returned to work
    - State Extended Benefits (20 Weeks): \$435,251
      - Does not include \$211,300 for assumed Fraud claims and \$234,301 for claimants returned to work



## Notable Numbers from 2020

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- Number of Claims Filed: 268
  - 2019: 27
- Active Claimants as of 4Q '20: 84
  - 2019: 24
  - Active defined as collected unemployment benefits in the quarter
- Claimants that have exhausted Standard UC benefits: 73
  - Now eligible for either Fed PEUC benefits or State Extended Benefits
- Potential Fraud Claims: 40
  - Benefits Paid to Date: \$146,011



# Bonded Service Program Features

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- Fully insured program
  - First and last dollar coverage of benefits
  - Premium set at percentage of gross wages
- Fixed annual cost
  - Precise allocation to fund source
- Budgetary certainty
- Potential Experience Credit
- Maximizes cash flow
  - Billed in equal quarterly installments
- Claims administration service
  - On-site education and training
  - Benefit charge auditing
  - Comprehensive claims counseling
  - Hearing representation
- FNP Access
  - Discounted Background Checks
  - ThinkHR
  - Commonwealth Purchasing Group



# Bonded Service Program Quote

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- Term: 1/1/21 – 12/31/21
- Flat Annual Fee of \$413,000
- Experience Credit
  - If claims paid are less than 77.5% of fees, EC = 50% balance remaining
  - Example: Total fee = \$413,000 then eligible for EC if charges are less than \$320,075



# BSP Prior Year Comparison

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- Minimum Annual Fee

- 2020: \$185,000
- 2021: \$413,000

- Experience Credit

- 2020: 50/75
- 2021: 50/77.5

- Open Liability:

- 2020: \$ 105,825
- 2021: \$ 686,780





## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Brad Underwood, P.E.  
Director of Public Works

**SUBJECT:** Review, discuss, and possibly authorize a Professional Services Agreement for the Effluent Pipeline Project – 2524SS1010 – Fund: Utility; Division: Sewer; Vendor: HDR in the amount of \$115,614 for the Effluent Pipeline Design Project - Phase I **Critical** Pipeline **Repair** Design Professional Services.

**DATE:** June 1, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees moves to:

1. Review, Discuss, and Possibly Authorize a Professional Services Agreement for the Effluent Pond Lining Project – 2524SS1010 – Fund: Utility; Division: Sewer; Vendor: HDR in the amount of \$115,614 for the Effluent Pipeline Design Project - Phase I **Critical** Pipeline **Repair** Design Professional Services.
2. Authorize Staff to execute the contract documents.

### **II. BACKGROUND**

At the May 12, 2021 IVGID Board of Trustees Meeting, the Board authorized Staff to solicit an updated and phased proposal from HDR for the Effluent Export Pipeline Project #2524SS1010 (Attachment A to the Short Form Agreement). HDR has been working on the Effluent Export Pipeline for a number of years and has a wide breadth of knowledge regarding the history and the existing condition of the pipeline, this institutional knowledge will be an asset in developing this future project. The purpose of the project is to replace or rehabilitate the pipeline which has occasional leaks and has reached the end of its useful life.



Granite Construction, CMAR Contractor, has reviewed numerous documents provided by HDR, and provided the District a Findings Memorandum and recommended that the District contract with HDR to proceed with Phase 1 – Effluent Export Pipeline design professional services.

HDR has provided a Phase I design proposal (Attachment A to the Short Form Agreement) which will include project management, critical pipeline repair identification, critical pipeline repair design, and permitting. Critical pipeline repair identification work will include preparation of an exhibit clearly identifying required critical pipeline repair locations as well as the areas of completed repairs that have occurred within Segments 2 and 3 since the last design memo was written. The critical pipeline repair design work will include up to 24 locations where repairs are required and the replacement pipe material has been identified. HDR will also lead the effort and collaborate with Granite Construction to obtain the NDOT and TRPA permit required for these repairs. Phase II is needed to perform additional investigation work in conjunction with the CMAR to determine methods of construction for the final design of the pipeline replacement or rehabilitation. Staff is working with HDR and the CMAR to finalize this scope of work and anticipate bringing a contract amendment to the Board in July 2021. Phase III will be comprised of preparing preliminary and final design documents as well as providing support during the bidding of the project. Phase IV is anticipated to cover engineering services during construction. The Board of Trustees will be presented the Phased design contracts for approval as the project progresses.

This memorandum has been placed on the Consent Calendar because it does not include changes to user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing.

### **III. BID RESULTS**

This item is not subject to competitive bidding within the meaning of Nevada Revised Statute (NRS) 332.115 as described in subsection (b) Professional Services.

Additionally, per NRS 625.530, selection of a professional engineer or registered architect to perform work on public works projects (where the complete project costs exceed \$35,000) is to be made solely on the basis of the competence and qualifications of the engineer or architect and not on the basis of competitive fees.

Review, Discuss, and Possibly Authorize a Professional Services Agreement for the Effluent Export Pipeline Project – 2524SS1010 – Fund: Utility; Division: Sewer; Vendor: HDR in the amount of \$115,614 for the Effluent Pipeline Final Design Project – Phase I Pipeline Alternative Analysis Design Professional Services.

-3-

June 1, 2021

HDR successfully completed the pre-analysis phase and has already developed thorough knowledge of the need and intended scope of this project.

#### **IV. FINANCIAL IMPACT AND BUDGET**

Funding for professional engineering design services in the amount of \$115,614 for Phase I design will be funded from the 2020/2021 CIP budget Project #2524SS1010 (see attached data sheet – Attachment B).

Engineering staff time will also be billed to the project to manage the design and bidding phase of the project.

#### **V. ALTERNATIVES**

None proposed.

#### **VI. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

Attachments:

A – Short Form Agreement (HDR Proposal Attached)

B – 2524SS1010 CIP Data Sheet

**SHORT FORM AGREEMENT**  
between  
**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**  
and  
**HDR ENGINEERING, INC.**  
for  
**PROFESSIONAL SERVICES**

This Agreement is made as of date between **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)**, hereinafter referred to as "Owner," and **HDR ENGINEERING, INC.**, hereinafter referred to as "Consultant." Owner intends to complete the Project(s) as described in Attachment A, Consultant's Scope of Work and Proposed Work Schedule, and as amended from time to time, hereinafter referred to as the "Project."

**1.0 BASIC SERVICES**

The Consultant shall perform the following tasks and additional services as may be included from time to time by Additional Services Addendums (ASAs) to this Agreement in accordance with Paragraph 4.2, Additional Services:

Basic Services are as described in Attachment A, essentially consisting of Project Management, Critical Pipeline Repair Identification and Design, and Permitting services for Owner's Effluent Export Pipeline Project (Project). Tasks are more formally described in the attached Exhibit A, Consultant's Scope of Work for Phase 1 of the Project.

All documentation, drawings, reports and invoices submitted for this project will include IVGID Purchase Order Number TBD.

**2.0 OWNER'S RESPONSIBILITIES**

Owner shall do the following in a timely manner so as not to delay the services of Consultant:

- 2.1** Designate in writing a person to act as Owner's representative with respect to services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, and interpret and define Owner's policies and decisions with respect to Consultant's services for the Project.
- 2.2** Assist Consultant by placing at Consultant's disposal existing data, plans, reports and other information known to, in possession of, or under control of Owner which are relevant to the execution of Consultant's duties on the Project. Also, provide all criteria and full information as to Owner's requirements for the Project, including design criteria, objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations.

### 3.0 PERIODS OF SERVICE

3.1 **General.** The provisions of Section 3 and the various rates of compensation for Consultant's services provided for elsewhere in this Agreement have been agreed to in anticipation of the orderly and continuous progress of the Project through completion of the Services contained herein. Consultant's obligation to render services hereunder will extend for a period which may reasonably be required for the performance of Consultant's services and required extensions thereto. If specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided and if such dates are exceeded through no fault of Consultant, all rates, measures, and amounts of compensation provided herein shall be subject to equitable adjustment pursuant to Section 5.9.

3.2 Consultant agrees to exercise diligence in the performance of its services consistent with the agreed upon schedule, which is based upon an anticipated completion date of no later than **December 31, 2021**, subject, however, to the exercise of the generally accepted standard of care for performance of services.

### 4.0 PAYMENT TO CONSULTANT

#### 4.1 Methods of Payment for Services and Expenses of Consultant

##### Compensation Terms Defined

"Reimbursable Expenses" shall mean the actual expenses incurred directly or indirectly in connection with the Project, including, but not limited to subconsultants or subconsultant costs, transportation and subsistence incidental thereto, obtaining bids or proposals from Consultant(s), toll telephone calls, express mail and telegrams, reproduction of Reports, Drawings, Specifications, Bidding Documents, and similar Project-related items in addition to those required under Section 1. In addition, Reimbursable Expenses will also include expenses incurred for main frame computer time and other highly specialized equipment, including photographic production.

**Basis and Amount of Compensation for Basic Services.** Compensation shall be as indicated in Attachment A, with a total amount of **One Hundred Fifteen Thousand, Six Hundred Fourteen Dollars (\$115,614.00)**, to be billed on a time and materials basis. In no event shall compensation for any Activity identified in Attachment A exceed the amount set forth in the attachment.

#### 4.2 Basis and Amount of Compensation for Additional Services

Compensation for additional services shall be on the basis agreed upon at the time of request for additional services. The estimated amount of additional services will be determined at the time the additional services are requested.

### **4.3 Intervals of Payments**

Payments to Consultant for Basic and Additional Services rendered and Reimbursable Expenses incurred shall be made once every month by Owner. Consultant's invoices will be submitted once every month and will be based upon total services completed at the time of billing. Owner shall make prompt payments in response to Consultant's invoices. Invoices shall be sent to [invoices@ivgid.org](mailto:invoices@ivgid.org) with a copy sent to [RLR@ivgid.org](mailto:RLR@ivgid.org).

### **4.4 Other Provisions Concerning Payments**

If Owner fails to make any payment due Consultant for services and expenses within 30 days after receipt of Consultant's statement, the amounts due Consultant will be increased at the rate of one percent (1%) per month from date of Owner's receipt of invoice.

If the Project is suspended or abandoned in whole or in part for more than 90 days, Consultant shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due.

If any items in any invoices submitted by Consultant are disputed by Owner for any reason, including the lack of supporting documentation, Owner may temporarily delete the disputed item and pay the remaining amount of the invoice. Owner shall promptly notify Consultant of the dispute and request clarification and/or remedial action. After any dispute has been settled, Consultant shall include the disputed item on a subsequent regularly scheduled invoice or on a special invoice.

## **5.0 GENERAL CONSIDERATIONS**

### **5.1 Termination**

This Agreement may be terminated in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. However, no termination for default may be initiated unless the other party is given a ten (10) calendar day cure period after written notice (delivery by certified mail, return receipt requested) of intent to terminate.

This Agreement may be terminated in writing (delivered by certified mail, return receipt requested) by Owner for its convenience.

Upon any termination, Consultant shall (1) promptly discontinue all Services affected (unless a termination notice from Owner directs otherwise); and (2) deliver or otherwise make available to Owner upon full payment for services rendered to the date of termination, all documents, data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by Consultant in performing this Agreement, whether such materials are completed or in process. All payments due Consultant at termination shall be made by Owner.

## **5.2 Ownership of Documents**

The original documents, plans, electronic files, studies or reports prepared under this Agreement, for which the Owner pays compensation to the Consultant, except for working notes and internal documents, shall become and remain the property of the Owner, and upon payment of said compensation, shall be surrendered to the Owner upon the completion of the Work under this Agreement or on the completion of specific phases of the Work, if requested by the Owner. All deliverables in Attachment A shall be provided to Owner regardless of whether requested by Owner. The Consultant may retain copies of said work in their files, but such work shall not be released to any other party or reused by the Consultant without the express written consent of the Owner. Reuse of any of these drawings, specifications or other work products of the Consultant by the Owner for other than the specific project covered in this Agreement without the written permission of the Consultant shall be at the Owner's risk, provided that the Consultant shall not be liable for any claims or damages arising out of such unauthorized reuse by the Owner or by other's actions through the Owner.

## **5.3 Professional Liability Insurance**

Consultant shall maintain professional liability insurance for protection against claims arising out of performance of services under this Agreement caused by negligent acts, errors, or omissions for which "PROFESSIONAL SERVICES" is legally liable for a period of five (5) years thereafter, if available and reasonably affordable. The professional liability policy shall provide a minimum coverage of \$1,000,000. Consultant shall maintain the existing retroactive date on all future policies with the same insurance company and attempt to do so if Consultant changes insurance companies. In the event that Consultant goes out of business during the instant period, Consultant shall purchase, at the request of Owner, an extended reporting period.

Should Consultant's normal professional liability coverage be less than the minimum required amount, Consultant may purchase project insurance or obtain a rider on his normal policy in an amount sufficient to bring Consultant's coverage up to minimum requirements.

## **5.4 Controlling Law**

This Agreement is to be governed by and construed in accordance with the Laws of the State of Nevada.

## **5.5 Successors and Assigns**

The parties hereby bind their respective partners, successors, executors, administrators, legal representatives, and, to the extent permitted by this section 5.5, their assigns, to the terms, conditions, and covenants of this Agreement.

Neither Owner nor Consultant shall assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law.



Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent professional associates, subconsultants, and consultants as Consultant may deem appropriate to assist in the performance of Services.

Except as may be expressly stated otherwise in this Agreement, nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Owner and Consultant, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Consultant and not for the benefit of any other party.

## **5.6 Dispute Resolution**

This Agreement to engage in alternate dispute resolution (“ADR”) pursuant to NRS 338.150 and any other Agreement or consent to engage in ADR entered into in accordance herewith as provided in this Section 5.6 will be specifically enforceable under the prevailing Nevada law in the Second Judicial District Court of the State of Nevada in and for the County of Washoe. Any dispute arising under this contract will be sent to mediation. Any mediation shall occur in Incline Village, Washoe County, Nevada. The mediation shall be conducted through the American Arbitration Association (AAA) and be governed by the AAA’s Mediation Procedures.

The mediator is authorized to conduct separate or ex parte meetings and other communications with the parties and/or their representatives, before, during and after any scheduled mediation conference. Such communications may be conducted via telephone, in writing, via email, online, in person or otherwise.

Owner and Consultant are encouraged to exchange all documents pertinent to the relief requested. The mediator may request the exchange of memorandum on all pertinent issues. The mediator does not have the authority to impose a settlement on the parties but such mediator will attempt to help Owner and Consultant reach a satisfactory resolution of their dispute. Subject to the discretion of the mediator, the mediator may make oral or written recommendations for settlement to a party privately, or if the parties agree, to all parties jointly.

Owner and Consultant shall participate in the mediation process in good faith. The mediation process shall be concluded within sixty (60) days of a mediator being assigned.

In the event of a complete settlement of all or some issues in dispute is not achieved within the scheduled mediation session(s), the mediator may continue to communicate with the parties, for a period of time, in an ongoing effort to facilitate a complete settlement. Any settlement agreed upon during mediation shall become binding if within thirty (30) days after the date that any settlement agreement is signed, either the Owner or Consultant fails to object or withdraw from the agreement. If mediation shall be unsuccessful, either Owner or Consultant may then initiate judicial proceedings by filing suit. Owner and Consultant will share the cost of mediation equally unless agreed otherwise.

## **5.7 Equal Employment and Non-Discrimination**

In connection with the Services under this Agreement, Consultant agrees to comply with the applicable provisions of State and Federal Equal Opportunity statutes and regulations.

## **5.8 Indemnification and Legal Fees**

Consultant agrees to defend, indemnify and hold harmless the public body, and the employees, officers and agents of Owner from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees and costs, to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Consultant or the employees or agents of Consultant in the breach of performance of the contract. If the insurer by which the Consultant is insured against professional liability does not so defend Owner and the employees, officers and agents of Owner and the Consultant is adjudicated to be liable by a trier of fact, the trier of fact shall award reasonable attorney's fees and costs to be paid to Owner by the Consultant in an amount which is proportionate to the liability of the design Consultant. As used in this section, "agents" means those persons who are directly involved in and acting on behalf of Owner or Consultant, as applicable, in furtherance of the contract or the public work to which the contract pertains.

As respects all acts or omissions which do not arise directly out of the performance of professional services, including but not limited to those acts or omissions normally covered by general and automobile liability insurance, Consultant agrees to indemnify, defend (at Owner's option), and hold harmless Owner, its officers, agents, employees, and volunteers from and against any and all claims, demands, defense costs, or liability arising out of any acts or omissions of Consultant (or Sub-contractor, if any) while acting under the terms of this Agreement; excepting those which arise out of the negligence, errors, omissions, recklessness or intentional misconduct of the employees, officers or agents of Owner.

The obligations of each indemnifying party hereunder shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this section. The indemnification shall not be diminished or limited in any way to the total limits of insurance required in this contract or otherwise available to the indemnifying party. If the liability is asserted by an employee of an indemnifying party, the indemnification herein is not limited to damages, compensation or benefits payable by or for the indemnifying party under worker's compensation acts, disability benefit acts or other employee benefit acts. Each indemnifying party shall be permitted to participate, if it chooses, in the defense of any action claiming liability, even if the indemnified party is indemnified hereunder. Either party may set off any of its rights under this subsection against any consideration it provides under this agreement. The obligations to indemnify and save harmless herein survive the expiration or termination of this Agreement.

The prevailing party in any litigation between Owner and Consultant regarding this Agreement shall be entitled to recover its reasonable attorneys' fees and costs. The hourly rate for such fees shall not exceed the rate paid by Owner.

## **5.9 Changes and Modifications**

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless approved by both parties in a written amendment to this Agreement. Such amendment shall be authorized and signed in the same manner as this Agreement.

## **5.10 Licenses**

Consultant shall have a Washoe County business license, and all appropriate Consultant's licenses and certifications for the services to be performed.

## **5.11 Severability**

In the event any provision of this Agreement shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties.

## **5.12 Waiver**

One or more waivers by either party of any provision, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

## **5.13 Extent of Agreement**

This Agreement, including all Attachments, and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings, conditions, or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed, or other form or document issued by Owner with respect to the Project or Consultant's services.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and date of the year first set forth above.

**OWNER:**  
**INCLINE VILLAGE G. I. D.**  
**Agreed to:**

**CONTRACTOR:**  
**HDR Engineering, Inc.**  
**Agreed to:**

By: \_\_\_\_\_  
Brad B. Underwood, P. E.  
Director of Public Works

By: \_\_\_\_\_  
*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Date*

**Reviewed as to Form:**

\_\_\_\_\_  
Joshua Nelson  
District General Counsel

If Contractor is a corporation, attach evidence of authority to sign.

\_\_\_\_\_  
*Date*

Owner's address for giving notice:  
**INCLINE VILLAGE G. I. D.**  
893 Southwood Boulevard  
Incline Village, Nevada 89451  
775-832-1267- Engineering Division

Contractor's address for giving notice:  
**HDR Engineering, Inc.**  
2365 Iron Point Road, Suite 300  
Folsom, California 95630

## SCOPE OF WORK

### Incline Village General Improvement District Effluent Export Pipeline Project

#### Phase 1

#### Task 1 – Project Management

##### Subtask 1.1 – Project Management

HDR shall perform project management tasks as required for the work, including communicating with staff, preparing monthly invoices, project filing, preparing a schedule, and coordinating the quality assurance effort. HDR shall maintain a Decision Log throughout the project to document decisions made regarding the project. The Decision Log will be reviewed as needed during the project progress calls described below. It is assumed HDR will receive a notice to proceed in July 2021, and that the project will be completed by December 31, 2021.

##### Subtask 1.2 – Quality Assurance/Quality Control (QA/QC) Program

HDR shall institute and maintain a QA/QC program for the work performed on this project. Senior technical staff, not involved in the project, will perform internal QA/QC of all project deliverables prior to submittal to IVGID.

##### Subtask 1.3 – Meetings

HDR shall attend up to three in-person meetings at IVGID offices (or other locations in the Lake Tahoe/Reno area as required). These meetings are expected to consist of the following:

- An in-person Partnering Meeting to be held in Reno, NV, with IVGID and Construction Manager At-Risk (CMAR) staff. The meeting is assumed to be up to six hours in length and will be attended by up to four HDR staff members. The Partnering Facilitator will be selected and retained by the CMAR. The Partnering Facilitator will prepare an agenda and minutes for the session.
- A Design Review Meeting following the submittal of the 50% Design Submittal to discuss IVGID CMAR comments on the submittal and items to be resolved to finalize the design. This meeting is assumed to be up to two hours in length and will be attended by up to two HDR staff members. HDR shall prepare an agenda and minutes for this meeting.
- A Design Review Meeting following the submittal of the 90% Design Submittal to discuss IVGID CMAR comments on the submittal and items to be resolved to finalize the design. This meeting is assumed to be up to one hour in length and will be attended by up to two HDR staff members. HDR shall prepare an agenda and minutes for this meeting.

HDR shall also attend project progress conference calls with IVGID and CMAR staff to be held every two weeks throughout the duration of the project. These calls will be attended by HDR's project manager and other staff as needed.

*Deliverables:*

- *Decision Log.*
- *Monthly Invoices.*
- *QA/QC review comments will be incorporated into each submittal described below.*
- *Meeting agendas and minutes (Design Review Meetings).*

## **Task 2 – Critical Pipeline Repair Identification**

### Subtask 2.1 – Critical Repair Identification

HDR shall re-evaluate previous critical defect recommendations, assess locations of leaks that have occurred since the previous recommendations were made, and provide a final determination of locations to be addressed. HDR shall prepare an exhibit that shows the critical locations, and areas that have been previously repaired (including material type and length of repair), for Segments 2 and 4 of the existing Effluent Export Pipeline.

## **Task 3 – Critical Pipeline Repair Design**

HDR shall prepare documents for use by CMAR for the construction of the work, including project drawings, technical specifications, and, working with CMAR, an Engineer's Opinion of Probable Construction Cost (OPCC). It is anticipated that current IVGID standard Division 0 ("Front-end") documents will be provided by IVGID for inclusion in the Project Manual.

For the purposes of this scope of work, up to 24 Critical Pipeline Repair locations and the following Critical Pipeline Repair Sheet List are assumed:

<b>Sheet No.</b>	<b>Drawing No.</b>	<b>Drawing Title</b>
1	G1	Cover
2	G2	Sheet List and Location Maps
3	G3	Abbreviations
4	G4	Legends and Symbols
5	G5	General Details 1
6	G6	General Details 2
7	G7	General Details 3
8	G8	General Details 4
9	C1	Pipeline Repair Key Plan Map and System Profile
10	C2	Pipeline Repair 1 Enlarged Area Plans
11	C3	Pipeline Repair 2 Enlarged Area Plans
12	C4	Pipeline Repair 3 Enlarged Area Plans
13	C5	Pipeline Repair 4 Enlarged Area Plans

### Subtask 3.1 – 50% Design Submittal



HDR shall prepare a 50% Design Submittal consisting of a complete set of drawings, technical specifications, and OPCC, and shall submit the documents to IVGID for review.

Subtask 3.2 – 90% Design Submittal

HDR shall prepare a 90% Design Submittal consisting of a complete set of drawings, technical specifications, and OPCC, incorporating IVGID and CMAR comments on the 50% Design Submittal, and shall submit the documents to IVGID for review.

Subtask 3.3 – Final Design Submittal

HDR shall prepare a Final Design Submittal consisting of a complete set of construction documents incorporating any IVGID and CMAR comments on the 90% Design Submittal, and prepare to advertise for bids.

*Assumptions:*

- *Distribution of construction documents to CMAR shall be by IVGID.*

*Deliverables:*

- *50% Design Submittal:*
  - *One digital PDF file of the drawings, technical specifications, and OPCC.*
- *90% Design Submittal:*
  - *One digital PDF file of the drawings, technical specifications, and OPCC.*
- *Final Design Submittal:*
  - *One digital PDF file of the final stamped and sealed drawings, technical specifications, and OPCC.*

## **Task 4 – Permitting**

HDR will lead the effort and collaborate with CMAR to obtain necessary approvals and permits. Necessary permits are assumed to include:

Subtask 4.1 – Nevada Department of Transportation (NDOT) Permitting

HDR shall coordinate with the NDOT and shall prepare the Encroachment Permit Application and supporting documentation (e.g., drawings) for the Critical Repair Project. Application shall be submitted, and any fees paid, by IVGID.

Subtask 4.2 – Tahoe Regional Planning Agency (TRPA) Permitting

HDR shall provide as-needed assistance to IVGID and coordination with the TRPA for obtaining necessary TRPA permitting for the Critical Repair Project. Since the extent of required TRPA permitting is not known at this time, but is expected to be minimal, an allowance of 12 hours has been included for this task.

*Deliverables:*

- *Completed NDOT Encroachment Permit Application and supporting documents.*
- *As-needed documents and/or figures for TRPA permitting assistance.*

## **TASKS NOT INCLUDED IN THIS SCOPE OF WORK**

- Mapping, delineation, and geotechnical investigation of borrow sites.
- Right-of-way permits for borrow sites or access routes.
- Negotiations of right-of-way.
- Staking services, records of survey, mapping, or monumentation of new rights-of-way, or easements.
- Environmental delineation or survey (e.g., wetlands survey)
- Review and inspection of contractor's safety program, means, and methods.
- Prevailing wage rate monitoring.
- Warranty inspection.
- Construction engineering services.

**Table 1 - Estimated Work Effort and Cost**

Incline Village General Improvement District  
 Effluent Export Pipeline Project - Phase 1

Task No.	Task Description	Principal/ QA/QC	Project Manager	Project Engineer	Technical Specialist	NDOT Coord	CADD Tech	Admin/ Clerical	Total HDR Labor Hours	Total HDR Labor (\$)	Total HDR Expenses (\$)	Total Cost (\$)
<b>Task 1 - Project Management</b>												
1.1	Project Management		36					12	48	\$12,791		\$12,791
1.2	QA/QC Program	48	12					8	68	\$18,088		\$18,088
1.3	Meetings		29	23	8	8		4	72	\$17,942	\$650	\$18,592
	<b>Subtotal Task 1</b>	<b>48</b>	<b>77</b>	<b>23</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>24</b>	<b>188</b>	<b>\$48,822</b>	<b>\$650</b>	<b>\$49,472</b>
<b>Task 2 - Critical Pipeline Repair Identificaton</b>												
2.1	Critical Repair Identification								0	\$0		\$0
	<b>Subtotal Task 2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Task 3 - Critical Pipeline Repair Design</b>												
3.1	50% Design Submittal		12	70			56	16	154	\$27,015	\$200	\$27,215
3.2	90% Design Submittal		7	44			34	8	93	\$16,357	\$200	\$16,557
3.3	Final Design Submittal		5	26			22	4	57	\$10,216	\$200	\$10,416
	<b>Subtotal Task 3</b>	<b>0</b>	<b>24</b>	<b>140</b>	<b>0</b>	<b>0</b>	<b>112</b>	<b>28</b>	<b>304</b>	<b>\$53,588</b>	<b>\$600</b>	<b>\$54,188</b>
<b>Task 4 - Permitting</b>												
4.1	NDOT Permitting		8	20		16		4	48	\$9,839		\$9,839
4.2	TRPA Permitting		2	8				2	12	\$2,114		\$2,114
	<b>Subtotal Task 4</b>	<b>0</b>	<b>10</b>	<b>28</b>	<b>0</b>	<b>16</b>	<b>0</b>	<b>6</b>	<b>60</b>	<b>\$11,954</b>	<b>\$0</b>	<b>\$11,954</b>
<b>COLUMN TOTALS</b>		<b>48</b>	<b>111</b>	<b>191</b>	<b>8</b>	<b>24</b>	<b>112</b>	<b>58</b>	<b>552</b>	<b>\$114,364</b>	<b>\$1,250</b>	<b>\$115,614</b>



## Project Summary

<b>Project Number:</b>	2524SS1010
<b>Title:</b>	Effluent Pipeline Project
<b>Project Type:</b>	B - Major Projects - Existing Facilities
<b>Division:</b>	24 - Transmission
<b>Budget Year:</b>	2021
<b>Finance Option:</b>	
<b>Asset Type:</b>	SS - Sewer System
<b>Active:</b>	Yes

<b>Project Description</b>				
The Effluent Pipeline Project will be a multi-year pipe replacement project. The immediate priority is to replace all of the remaining Segment 3 pipeline (12,385 linear feet) and to make immediate repairs to the Segment 2 pipeline (17,314 linear feet) to extend its life and avoid future leaks. The project timeline is to accomplish this over multiple construction seasons. TRPA and NDOT permits typically prohibit SR 28 traffic control delays from July 1 to September 5. This limits construction to May, June and Sept 6 to Oct 15. The replacement of Segment 3 would occur over two construction seasons. Replacing segment 2 would require 3 construction seasons. Repairs to segment 2 could be accomplished with a segment 3 construction phase.				
<b>Project Internal Staff</b>				
The engineering division will support this project. Outside consultants will be used for design and management. The project will be publicly advertised in accordance with NRS 338.				
<b>Project Justification</b>				
The District currently owns, operates and maintains a 21-mile pipeline that exports treated wastewater effluent out of the Lake Tahoe Basin. This pipeline was installed in 1970 as part of the regional effort to protect Lake Tahoe's water quality by requiring all wastewater effluent to be exported out of the basin. Within the Tahoe Basin, this pipe is divided into three segments. Segment 1 is the low-pressure supply pipe to the pump station near Sand Harbor. Segment 2 is the welded steel high-pressure discharge pipe exiting the pump station. Segment 3 is the remaining low pressure jointed steel transmission pipeline within the Tahoe Basin running south to Spooner Summit. Segment 4 is the pipe that carries the effluent down the east side of the Carson Range from Spooner Summit to Hwy 395. Segment 5 is the pipeline that extends from HWY 395 to the bank of the Carson River. Segment 6 is the pipeline from the Carson River that delivers the effluent to the IVGID Wetlands Disposal Facility and was installed in 1983. A condition assessment completed on Segments 2 and 3 confirmed pipe deficiencies.				
<b>Forecast</b>				
<b>Budget Year</b>	<b>Total Expense</b>	<b>Total Revenue</b>	<b>Difference</b>	
2021				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
2022				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
2023				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
2024				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
2025				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
	10,000,000	0	10,000,000	
<b>Year Identified</b>	<b>Start Date</b>	<b>Est. Completion Date</b>	<b>Manager</b>	<b>Project Partner</b>

2012	Jul 1, 2020	Jun 30, 2025	Engineering Manager	
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## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Brad Underwood, P.E.  
Director of Public Works

**SUBJECT:** Review, discuss, and possibly authorize a Professional Services Agreement for the Effluent Pond Lining Project – 2599SS2010 – Fund: Utility; Division: Sewer; Vendor: Jacobs Engineering, Inc. in the amount of \$36,000 for the Effluent Pond Lining Final Design Project - Phase I Pond Lining Alternative Analysis Design Professional Services.

**DATE:** June 1, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees moves to:

1. Review, Discuss, and Possibly Authorize a Professional Services Agreement for the Effluent Pond Lining Project – 2599SS2010 – Fund: Utility; Division: Sewer; Vendor: Jacobs Engineering, Inc. in the amount of \$36,000 for the Effluent Pond Lining Final Design Project - Phase I Pond Lining Alternative Analysis Design Professional Services.
2. Authorize Staff to execute the contract documents.

### **II. BACKGROUND**

At the May 12, 2021 IVGID Board of Trustees Meeting, the Board authorized Staff to solicit an updated phased proposal from Jacobs Engineering for the Effluent Pond Lining Project 2599SS2010 (Attachment A to the Short Form Agreement).

The Incline Village General Improvement District (IVGID or District) operates a wastewater collection, treatment, and effluent export system that serves the communities of Incline Village and Crystal Bay, Nevada and the Nevada State

Parks (Sand Harbor, Spooner and Memorial Point) located at Lake Tahoe. A component of this operation is the 2.4 million gallon effluent storage basin located adjacent to the wastewater resource recovery facility (WRRF). This storage basin was designed to provide automated and passive back-up effluent storage in the event the Plant's 500,000 gallon effluent storage tank fills to capacity. As a condition of the District's current operating permit with the Nevada Department of Environmental Protection (NDEP), the District is no longer allowed to utilize the effluent storage basin for storage because it is unlined. This significantly hampers the District's ability to conduct planned maintenance of the effluent export system and puts the District at risk of a discharge of effluent to the waters of Lake Tahoe in the event of a significant emergency.

By lining the storage basin, it will allow for effluent storage during emergency situations and planned effluent pipeline repair and replacement construction projects. The lining may also eliminate the need to re-treat this effluent through the Plant, speeding recovery from the incident. Depending on the time of year and associated influent flows at the Plant, this final effluent storage basin can provide between 1.6 and 3.2 days of storage.

The following work has been completed to begin implementation of the Effluent Storage Basin improvements:

- Expansion of the access road around the wastewater treatment plant to improve ingress/egress to allow construction of improvements to the Effluent Storage Basin. This work included the purchase of an adjacent parcel.
- In September 2018, Jacobs prepared the Water Resource Recovery Facility Effluent Storage Alternative Analysis Memorandum.
- Granite Construction, CMAR Contractor, has reviewed Jacobs Alternative Analysis Memorandum, provided the District a Findings Memorandum and recommended that the District contract with Jacobs to proceed with Phase 1 – Pond Lining Alternative Analysis design professional services.

Phase 1 – Pond Lining Alternative Analysis Design scope of work will include Jacobs assessing previously identified alternates to the pond lining to include review of current products, technologies, and construction methodologies. Jacobs will collaborate with IVGID and the Granite Construction to identify additional alternates that may be appropriate to study (if any). Jacob's will provide a lifecycle

analysis and will prepare a draft and final document outlining the pros and cons of the initial cost investment, the ongoing maintenance requirements, lifecycle analysis, and recommended best value alternative for IVGID.

Staff has requested that Jacobs provide their design services in Phases and provide a detailed description of personnel and associated hours (Attachment B). Phase II will be comprised of preparing preliminary and final design documents as well as providing support during the bidding of the project. Phase III is anticipated to cover engineering services during construction. The Board of Trustees will be presented the Phased design contracts for approval as the project progresses. Phase I services will be complete within 12 weeks once the Notice to Proceed is issued to Jacobs.

Staff continues to pursue funding from US Army Corps of Engineers under Section 595 and anticipate the final determination in Fall 2021.

This memorandum has been placed on the Consent Calendar because it does not include changes to user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing.

### **III. BID RESULTS**

This item is not subject to competitive bidding within the meaning of Nevada Revised Statute (NRS) 332.115 as described in subsection (b) Professional Services.

Additionally, per NRS 625.530, selection of a professional engineer or registered architect to perform work on public works projects (where the complete project costs exceed \$35,000) is to be made solely on the basis of the competence and qualifications of the engineer or architect and not on the basis of competitive fees.

Jacobs Engineering successfully completed the pre-analysis phase and has already developed thorough knowledge of the need and intended scope of this project.

### **IV. FINANCIAL IMPACT AND BUDGET**

At the January 29, 2020 IVGID Board of Trustees Meeting, the Board directed Staff to establish a separate CIP project for the Effluent Export Pond Lining Project –

Review, Discuss, and Possibly Authorize a Professional Services Agreement for the Effluent Pond Lining Project – 2599SS2010 – Fund: Utility; Division: Sewer; Vendor: Jacobs Engineering, Inc. in the amount of \$36,000 for the Effluent Pond Lining Final Design Project – Phase I Pond Lining Alternative Analysis Design Professional Services.

-4-

June 1, 2021

2599SS2010; however, specific funds were not allocated to the Export Pond Lining Project at that time. All costs associated with the Effluent Pond Lining Project have been expensed through the Effluent Export Pipeline Project #2524SS1010. Staff is requesting that a total of \$36,000 from the 2019/2020 CIP budget under the Effluent Export Project (see attached data sheet – Attachment B). This is similar to how Granite, CMAR Contractor, has been compensated for work associated with the Pond Lining Project during the 2019/2020 timeframe. Beginning with the 2021/2022 CIP budget, funds will be allocated to the Effluent Pond Lining Project 2599SS2010.

Engineering Staff time will also be billed to the project to manage the design and bidding phase of the project.

## **V. ALTERNATIVES**

None proposed.

## **VI. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

Attachments:

A – Short Form Agreement (Jacob's Proposal Attached)

B – 2524SS1010 CIP Data Sheet

**SHORT FORM AGREEMENT**  
between  
**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**  
and  
**JACOBS ENGINEERING GROUP, INC.**  
for  
**PROFESSIONAL SERVICES**

This Agreement is made as of date between **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)**, hereinafter referred to as "Owner," and **JACOBS ENGINEERING GROUP, INC.**, hereinafter referred to as "Consultant." Owner intends to complete the Project(s) as described in Attachment A, Consultant's Scope of Work and Proposed Work Schedule, and as amended from time to time, hereinafter referred to as the "Project."

**1.0 BASIC SERVICES**

The Consultant shall perform the following tasks and additional services as may be included from time to time by Additional Services Addendums (ASAs) to this Agreement in accordance with Paragraph 4.2, Additional Services:

Pond lining analysis engineering services, as described in Attachment A, Consultant's proposal dated May 20, 2021, as "Phase 1 – Pond Lining Alternative Analysis" for Owner's effluent export storage pond, located on Sweetwater Road.

All documentation, drawings, reports and invoices submitted for this project will include IVGID Purchase Order Number TBD.

**2.0 OWNER'S RESPONSIBILITIES**

Owner shall do the following in a timely manner so as not to delay the services of Consultant:

- 2.1** Designate in writing a person to act as Owner's representative with respect to services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, and interpret and define Owner's policies and decisions with respect to Consultant's services for the Project.
- 2.2** Assist Consultant by placing at Consultant's disposal existing data, plans, reports and other information known to, in possession of, or under control of Owner which are relevant to the execution of Consultant's duties on the Project. Also, provide all criteria and full information as to Owner's requirements for the Project, including design criteria, objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations.

### 3.0 PERIODS OF SERVICE

3.1 **General.** The provisions of Section 3 and the various rates of compensation for Consultant's services provided for elsewhere in this Agreement have been agreed to in anticipation of the orderly and continuous progress of the Project through completion of the Services contained herein. Consultant's obligation to render services hereunder will extend for a period which may reasonably be required for the performance of Consultant's services and required extensions thereto. If specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided and if such dates are exceeded through no fault of Consultant, all rates, measures, and amounts of compensation provided herein shall be subject to equitable adjustment pursuant to Section 5.9.

3.2 Consultant agrees to exercise diligence in the performance of its services consistent with the agreed upon Schedule as indicated in Attachment A, subject to the exercise of the generally accepted standard of care for performance of services.

### 4.0 PAYMENT TO CONSULTANT

#### 4.1 Methods of Payment for Services and Expenses of Consultant

##### Compensation Terms Defined

"Reimbursable Expenses" shall mean the actual expenses incurred directly or indirectly in connection with the Project, including, but not limited to subconsultants or subconsultant costs, transportation and subsistence incidental thereto, obtaining bids or proposals from Consultant(s), toll telephone calls, express mail and telegrams, reproduction of Reports, Drawings, Specifications, Bidding Documents, and similar Project-related items in addition to those required under Section 1. In addition, Reimbursable Expenses will also include expenses incurred for main frame computer time and other highly specialized equipment, including photographic production.

Basis and Amount of Compensation for Basic Services. Compensation shall be as indicated in Attachment A, with a total amount of Thirty-Six Thousand Dollars (\$36,000.00), to be billed on a time and materials basis, as indicated in Attachment A. In no event shall compensation for any Activity identified in Attachment A exceed the amount set forth in the attachment.

#### 4.2 Basis and Amount of Compensation for Additional Services

Compensation for additional services shall be on the basis agreed upon at the time of request for additional services. The estimated amount of additional services will be determined at the time the additional services are requested.



### **4.3 Intervals of Payments**

Payments to Consultant for Basic and Additional Services rendered and Reimbursable Expenses incurred shall be made once every month by Owner. Consultant's invoices will be submitted once every month and will be based upon total services completed at the time of billing. Owner shall make prompt payments in response to Consultant's invoices. Invoices shall be sent to [invoices@ivgid.org](mailto:invoices@ivgid.org) with a copy sent to [RLR@ivgid.org](mailto:RLR@ivgid.org).

### **4.4 Other Provisions Concerning Payments**

If Owner fails to make any payment due Consultant for services and expenses within 30 days after receipt of Consultant's statement, the amounts due Consultant will be increased at the rate of one percent (1%) per month from date of Owner's receipt of invoice.

If the Project is suspended or abandoned in whole or in part for more than 90 days, Consultant shall be compensated for all services performed prior to receipt of written notice from the Owner of such suspension or abandonment, together with Reimbursable Expenses then due.

If any items in any invoices submitted by Consultant are disputed by Owner for any reason, including the lack of supporting documentation, Owner may temporarily delete the disputed item and pay the remaining amount of the invoice. Owner shall promptly notify Consultant of the dispute and request clarification and/or remedial action. After any dispute has been settled, Consultant shall include the disputed item on a subsequent regularly scheduled invoice or on a special invoice.

## **5.0 GENERAL CONSIDERATIONS**

### **5.1 Termination**

This Agreement may be terminated in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. However, no termination for default may be initiated unless the other party is given a ten (10) calendar day cure period after written notice (delivery by certified mail, return receipt requested) of intent to terminate.

This Agreement may be terminated in writing (delivered by certified mail, return receipt requested) by Owner for its convenience.

Upon any termination, Consultant shall (1) promptly discontinue all Services affected (unless a termination notice from Owner directs otherwise); and (2) deliver or otherwise make available to Owner upon full payment for services rendered to the date of termination, all documents, data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by Consultant in performing this Agreement, whether such materials are completed or in process. All payments due Consultant at termination shall be made by Owner.

## **5.2 Ownership of Documents**

The original documents, plans, electronic files, studies or reports prepared under this Agreement, for which the Owner pays compensation to the Consultant, except for working notes and internal documents, shall become and remain the property of the Owner, and upon payment of said compensation, shall be surrendered to the Owner upon the completion of the Work under this Agreement or on the completion of specific phases of the Work, if requested by the Owner. All deliverables in Attachment A shall be provided to Owner regardless of whether requested by Owner. The Consultant may retain copies of said work in their files, but such work shall not be released to any other party or reused by the Consultant without the express written consent of the Owner. Reuse of any of these drawings, specifications or other work products of the Consultant by the Owner for other than the specific project covered in this Agreement without the written permission of the Consultant shall be at the Owner's risk, provided that the Consultant shall not be liable for any claims or damages arising out of such unauthorized reuse by the Owner or by other's actions through the Owner.

## **5.3 Professional Liability Insurance**

Consultant shall maintain professional liability insurance for protection against claims arising out of performance of services under this Agreement caused by negligent acts, errors, or omissions for which "PROFESSIONAL SERVICES" is legally liable for a period of five (5) years thereafter, if available and reasonably affordable. The professional liability policy shall provide a minimum coverage of \$1,000,000. Consultant shall maintain the existing retroactive date on all future policies with the same insurance company and attempt to do so if Consultant changes insurance companies. In the event that Consultant goes out of business during the instant period, Consultant shall purchase, at the request of Owner, an extended reporting period.

Should Consultant's normal professional liability coverage be less than the minimum required amount, Consultant may purchase project insurance or obtain a rider on his normal policy in an amount sufficient to bring Consultant's coverage up to minimum requirements.

## **5.4 Controlling Law**

This Agreement is to be governed by and construed in accordance with the Laws of the State of Nevada.

## **5.5 Successors and Assigns**

The parties hereby bind their respective partners, successors, executors, administrators, legal representatives, and, to the extent permitted by this Section 5.5, their assigns, to the terms, conditions, and covenants of this Agreement.

Neither Owner nor Consultant shall assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law.

Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent professional associates, subconsultants, and consultants as Consultant may deem appropriate to assist in the performance of Services.

Except as may be expressly stated otherwise in this Agreement, nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Owner and Consultant, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Consultant and not for the benefit of any other party.

## **5.6 Dispute Resolution**

This Agreement to engage in alternate dispute resolution (“ADR”) pursuant to NRS 338.150 and any other Agreement or consent to engage in ADR entered into in accordance herewith as provided in this Section 5.6 will be specifically enforceable under the prevailing Nevada law in the Second Judicial District Court of the State of Nevada in and for the County of Washoe. Any dispute arising under this contract will be sent to mediation. Any mediation shall occur in Incline Village, Washoe County, Nevada. The mediation shall be conducted through the American Arbitration Association (AAA) and be governed by the AAA’s Mediation Procedures.

The mediator is authorized to conduct separate or ex parte meetings and other communications with the parties and/or their representatives, before, during and after any scheduled mediation conference. Such communications may be conducted via telephone, in writing, via email, online, in person or otherwise.

Owner and Consultant are encouraged to exchange all documents pertinent to the relief requested. The mediator may request the exchange of memorandum on all pertinent issues. The mediator does not have the authority to impose a settlement on the parties but such mediator will attempt to help Owner and Consultant reach a satisfactory resolution of their dispute. Subject to the discretion of the mediator, the mediator may make oral or written recommendations for settlement to a party privately, or if the parties agree, to all parties jointly.

Owner and Consultant shall participate in the mediation process in good faith. The mediation process shall be concluded within sixty (60) days of a mediator being assigned.

In the event of a complete settlement of all or some issues in dispute is not achieved within the scheduled mediation session(s), the mediator may continue to communicate with the parties, for a period of time, in an ongoing effort to facilitate a complete settlement. Any settlement agreed upon during mediation shall become binding if within thirty (30) days after the date that any settlement agreement is signed, either the Owner or Consultant fails to object or withdraw from the agreement. If mediation shall be unsuccessful, either Owner or Consultant may then initiate judicial proceedings by filing suit. Owner and Consultant will share the cost of mediation equally unless agreed otherwise.

## **5.7 Equal Employment and Non-Discrimination**

In connection with the Services under this Agreement, Consultant agrees to comply with the applicable provisions of State and Federal Equal Opportunity statutes and regulations.

## **5.8 Indemnification and Legal Fees**

Consultant agrees to defend, indemnify and hold harmless the public body, and the employees, officers and agents of Owner from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees and costs, to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Consultant or the employees or agents of Consultant in the breach of performance of the contract. If the insurer by which the Consultant is insured against professional liability does not so defend Owner and the employees, officers and agents of Owner and the Consultant is adjudicated to be liable by a trier of fact, the trier of fact shall award reasonable attorney's fees and costs to be paid to Owner by the Consultant in an amount which is proportionate to the liability of the design Consultant. As used in this section, "agents" means those persons who are directly involved in and acting on behalf of Owner or Consultant, as applicable, in furtherance of the contract or the public work to which the contract pertains.

As respects all acts or omissions which do not arise directly out of the performance of professional services, including but not limited to those acts or omissions normally covered by general and automobile liability insurance, Consultant agrees to indemnify, defend (at Owner's option), and hold harmless Owner, its officers, agents, employees, and volunteers from and against any and all claims, demands, defense costs, or liability arising out of any acts or omissions of Consultant (or Sub-contractor, if any) while acting under the terms of this Agreement; excepting those which arise out of the negligence, errors, omissions, recklessness or intentional misconduct of the employees, officers or agents of Owner.

The obligations of each indemnifying party hereunder shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this section. The indemnification shall not be diminished or limited in any way to the total limits of insurance required in this contract or otherwise available to the indemnifying party. If the liability is asserted by an employee of an indemnifying party, the indemnification herein is not limited to damages, compensation or benefits payable by or for the indemnifying party under worker's compensation acts, disability benefit acts or other employee benefit acts. Each indemnifying party shall be permitted to participate, if it chooses, in the defense of any action claiming liability, even if the indemnified party is indemnified hereunder. Either party may set off any of its rights under this subsection against any consideration it provides under this agreement. The obligations to indemnify and save harmless herein survive the expiration or termination of this Agreement.

The prevailing party in any litigation between Owner and Consultant regarding this Agreement shall be entitled to recover its reasonable attorneys' fees and costs. The hourly rate for such fees shall not exceed the rate paid by Owner.

## **5.9 Changes and Modifications**

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless approved by both parties in a written amendment to this Agreement. Such amendment shall be authorized and signed in the same manner as this Agreement.

## **5.10 Licenses**

Consultant shall have a Washoe County business license, and all appropriate Consultant's licenses and certifications for the services to be performed.

## **5.11 Severability**

In the event any provision of this Agreement shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties.

## **5.12 Waiver**

One or more waivers by either party of any provision, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

## **5.13 Extent of Agreement**

This Agreement, including all Attachments, and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings, conditions, or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed, or other form or document issued by Owner with respect to the Project or Consultant's services.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and date of the year first set forth above.

**OWNER:**  
**INCLINE VILLAGE G. I. D.**  
**Agreed to:**

**CONTRACTOR:**  
**JACOBS ENGINEERING GROUP**  
**Agreed to:**

By: \_\_\_\_\_  
Brad B. Underwood, P. E.  
Director of Public Works

By: \_\_\_\_\_  
*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Date*

**Reviewed as to Form:**

\_\_\_\_\_  
Joshua Nelson  
District General Counsel

If Contractor is a corporation, attach evidence of authority to sign.

\_\_\_\_\_  
*Date*

Owner's address for giving notice:  
**INCLINE VILLAGE G. I. D.**  
893 Southwood Boulevard  
Incline Village, Nevada 89451  
775-832-1267- Engineering Division

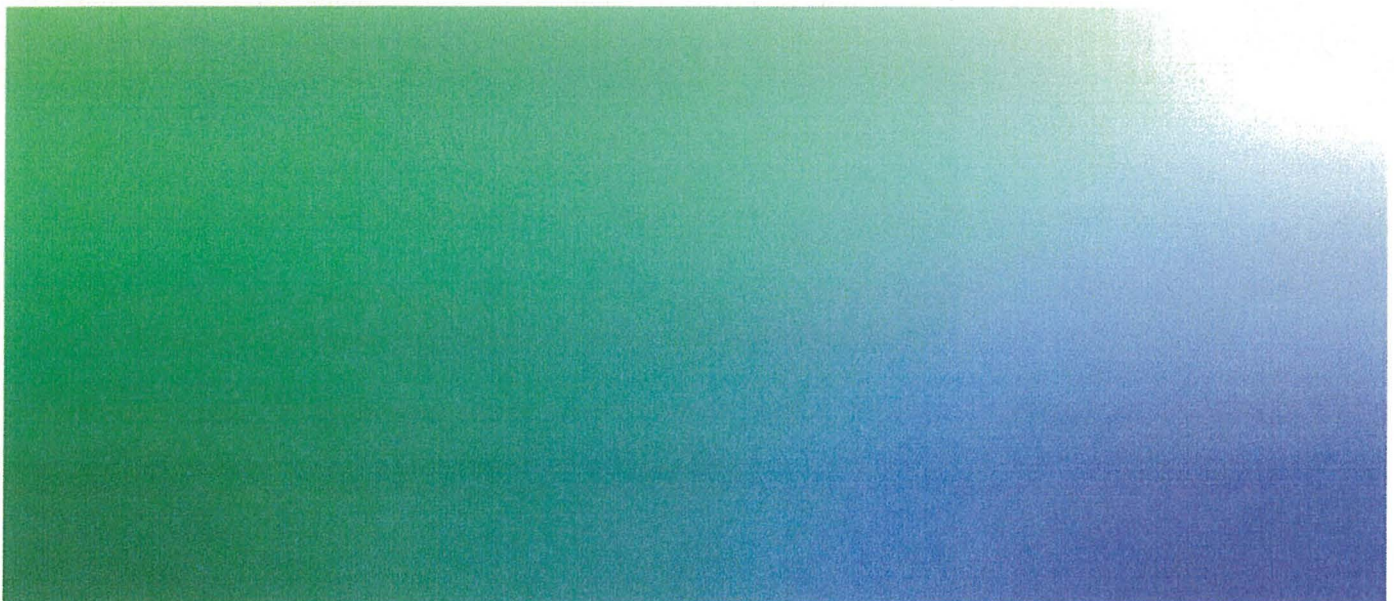
Contractor's address for giving notice:  
**Jacobs Engineering Group**  
50 West Liberty St., Ste. 205  
Reno, Nevada 89501





Incline Village General Improvement District  
Effluent Pond Lining Final Design

May 20, 2021



# Incline Village General Improvement District Effluent Pond Lining Final Design

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This is an agreement for professional services between Jacobs Engineering Group Inc. (Jacobs or Engineer) and Incline Village General Improvement District (IVGID or Owner).

## Background and Project Need

IVGID owns and operates an existing effluent pond adjacent to the Water Resource Reclamation Facility (WRRF) that is occasionally utilized to temporarily store plant effluent for brief durations. The existing basin has a storage capacity of approximately 2 million gallons (MG) and is presently unlined. Lining of the pond will allow IVGID to actively reincorporate the pond into their wastewater treatment and effluent management practices and comply with current regulations. Additionally, it is likely the effluent pond will be intermittently utilized during required construction improvements to IVGID's effluent export pipeline.

IVGID has selected Granite Construction as the construction manager at-risk (CMAR) to construct the effluent pond lining. Recommendations presented in an associated Findings Memorandum prepared by Granite Construction are being presented for consideration by the IVGID Board on May 12, 2021.

## Scope of Professional Services

Engineer will provide the professional engineering services in the three phases:

- Phase 1 – Pond lining alternative analysis
- Phase 2 – Preliminary and final design
- Phase 3 – Engineering services during construction.

This Agreement authorizes time and material services for Phase 1 only. Draft services for Phases 2 and 3 are presented herein for planning purposes but are subject to revisions resulting from Phase 1 findings including criteria verification and the selected best value pond lining alternate. It is anticipated the scope and budget for Phases 2 and 3 will be authorized by future IVGID Board action. Engineer shall not perform unauthorized services without written approval by IVGID.

## Phase 1 – Pond Lining Analysis

Engineer will assess previously identified alternates to the pond lining to include review of current products, technologies, and construction methodologies. Engineer will collaborate with IVGID and the CMAR (Granite Construction) to identify additional alternates that may be appropriate to study (if any). Engineer will provide a lifecycle analysis and will prepare a draft and final document outlining the pros and cons of the initial cost investment, the ongoing maintenance requirements, lifecycle analysis, and recommended best value alternative for IVGID. Specific tasks and assumptions are presented below.

- Engineer will participate in a partnering meeting to establish the Team environment and work plan. It is assumed that two Jacobs team members will attend the partnering meeting in-person at IVGID. Additional staff can participate remotely, as needed.
- Engineer will work with IVGID to establish and confirm general project criteria. Criteria considerations include confirmation of the minimum effluent storage volume, spoil decant facility requirements, maintenance access, effluent hydraulics associated with the pond, and pond lining design life.
- Engineer will perform a single-day site visit conducted by two team members to evaluate existing conditions and collect measurements pertaining to this project. It is anticipated that supplemental survey and a geotechnical test pit will be required but that survey, the test pit, onsite observations, and the associated documentation of findings will be performed in Phase 2.
- Engineer will update opinions of probable construction cost for HDPE and shotcrete lining alternatives. Lifecycle analysis of each pond lining alternate will be informed by construction cost estimates provided by Granite. Engineer will coordinate candidate pond lining requirements with Granite. Engineer will include anticipated ongoing maintenance costs in the analysis based on industry information and input from IVGID and Granite.
- The pond lining analysis will outline the pros and cons of the initial cost investment, the ongoing maintenance requirements, lifecycle analysis, and recommended best value alternative for IVGID.

### Deliverables

Engineer will prepare and submit the following deliverables:

- Draft pond lining analysis
- Final pond lining analysis

### Schedule

Phase 1 notice to proceed (NTP) is anticipated in June 2021 and the period of performance will extend 12 weeks after NTP. The Phase 1 work plan and project delivery schedule will be developed at the partnering meeting with IVGID and Granite.

### Budget

Phase 1 time and materials budgetary amount of **\$36,000** is hereby established for services in this Agreement. Engineer will make reasonable efforts to complete the work within the

noted budgets and will keep Owner informed of progress toward that end so that the budgets or work effort can be adjusted if found necessary. Engineer will give prompt notice to Owner whenever Engineer observes or becomes aware of any significant development that affects the scope or timing of Engineer’s services.

<b>Task</b>	<b>Budget</b>
Project Initiation and Partnering Meeting	\$6,500
Project Criteria	\$7,500
Pond Lining Analysis	\$18,500
Project Management and Quality Control	\$3,500
<b>Total</b>	<b>\$36,000</b>

## Phase 2 – Preliminary and Final Design

Engineer will perform preliminary and final design services and will prepare plans and specifications. Additionally, Engineer will collaborate with IVGID and Granite to obtain permits for this project. Preliminary and Final Design scope are defined in the sections below.

### Preliminary Design

Engineer will perform preliminary design to establish design criteria and to define required construction improvements associated with the best value pond liner resulting from Phase 1. Specific tasks and assumptions are presented below.

- Engineer will prepare for and participate in up to three meetings with permitting agencies to collaborate on achieving success in the permitting process.
- Engineer will prepare design figures and provide relevant engineering descriptions to assist with permit applications.
- Electrical requirements will be confirmed. It is presently assumed that an open bucket in the existing motor control center room will be used for electrical components.
- Mechanical and pumping improvements will be verified. There may be the need to replace or upgrade an effluent pump.
- Civil engineering and grading requirements will be developed commensurate with the best value alternate selected in Phase 1.
- Engineer will summarize key design criteria for each discipline in a design criteria memorandum
- Engineer will prepare 30% design drawings and a list of technical specifications
- IVGID and Granite will have two weeks to review and provide input on the 30% design drawings and then a Team workshop will be held to discuss and adjudicate the comments
- Granite will be involved in throughout the design process for constructability review and value engineering

## Deliverables

Engineer will prepare and submit the following:

- Design criteria memorandum
- 30% design drawings including a list of technical specifications
- Draft and Final permit applications

## Schedule

A schedule has not yet been determined and will be informed by recommendations from Phase 1. However, it is anticipated that the general period of performance for Phase 2 Preliminary Design will be October 2021 through January 2022.

## Budget

A budget has not yet been developed and will be informed by results from Phase 1.

## Final Design

Engineer will prepare final design plans and specifications for pond lining and associated project improvements defined in Phase 1 and preliminary engineering. Plans and specifications will be signed and sealed by professional engineers licensed in the State of Nevada.

Engineer will prepare a set of 90% design drawings and specifications and a final set of Contract Documents. A preliminary list of drawings is presented below.

- Cover
- Abbreviations
- General Civil
- General Structural
- General Mechanical
- General Electrical
- Overall Site Plan and Survey Control
- Civil Pond Area Plan 1
- Civil Pond Area Plan 2
- Civil Pond Sections 1
- Civil Pond Sections 2
- Civil Details 1
- Civil Details 2
- Pond Lining Plan
- Pond Lining Sections 1
- Pond Lining Sections 2
- Pond Lining Details 1
- Pond Lining Details 2
- Pond Lining Details 3
- Mechanical Pump Station Plan
- Mechanical Pump Station Section
- Electrical Site Plan
- Electrical Single Line/Panel
- Standard Details 1
- Standard Details 2
- Standard Details 3

## Deliverables

Engineer will prepare and submit the following:

- 90% design drawings and technical specifications submitted electronically in PDF format
- Contract Documents comprising final (100%) design drawings and specifications submitted electronically in PDF format

### **Schedule**

A schedule has not yet been determined and will be informed by Phase 1 and Preliminary Engineering. However, it is anticipated that the general period of performance for Phase 2 Final Design will be January 2022 through May 2022.

### **Budget**

A budget has not yet been developed and will be informed by results from Phase 1.

## **Phase 3 – Engineering Services During Construction**

Engineer will continue Team collaboration and provide professional services during the construction phase. It is assumed that construction management will be provided by others. Engineering services during construction will include assistance with construction administration including the following activities:

- Participation in biweekly construction progress meetings
- Review and responses to up to 20 shop drawing submittals
- Review and responses to up to 15 requests for information or clarification (RFIs)
- Periodic site visits to observe and document pond lining construction activities. Budget includes two 2-day site visits.
- CMAR will provide red-line markups representing as-constructed conditions. Engineer will prepare record drawings upon construction completion.

### **Deliverables**

Engineer will prepare and submit the following:

- Responses to shop drawing submittals and RFIs
- Record drawings submitted electronically in PDF format

### **Schedule**

A schedule has not yet been determined and will be informed by Phase 1, Preliminary Design, and Final Design. However, it is anticipated that the general period of performance for Phase 3 will be May 2022 through December 2022.

### **Budget**

A budget has not yet been developed and will be informed by results from Phase 1, Preliminary Design, and Final Design.

## **Compensation**

Compensation by IVGID to Engineer will be as follows:

### **Cost Reimbursable Per Diem (Time and Expense)**

For services defined in this Task Order, at the Per Diem Rates referenced below, plus Direct Expenses, plus a service charge of 10 percent of Direct Expenses and 10 percent of



subcontracts and outside services, plus applicable sales, use, value added, business transfer, gross receipts, or other similar taxes.

### **Per Diem Rates**

Per Diem Rates are those hourly rates charged for work performed on the Project by Engineer's employees of the indicated classifications. These rates are subject to revision for other projects and annual calendar year adjustments; include all allowances for salary, overheads, and fees; but do not include allowances for Direct Expenses, subcontracts, and outside services.

### **Direct Expenses**

Direct Expenses are those necessary costs and charges incurred for the Project including, but not limited to: (1) the direct costs of transportation, meals and lodging, mail, and supplies; (2) Engineer's current standard rate charges for reproduction services; and (3) Engineer's standard project charges for special health and safety requirements of OSHA.

### **Renegotiation of Compensation**

The estimate is based on the assumptions listed in this Agreement and timely completion of the Project. Engineer is not obligated to incur costs beyond the indicated budgets, as may be adjusted, and Owner is not obligated to pay Engineer beyond these limits. If the Project progresses under different conditions than the assumptions listed in this Agreement or if project timing deviates from the assumed schedule for causes beyond Engineer's control, Engineer reserves the right to request renegotiation of those portions of the fee affected by the time change.

It is agreed that the Engineer cannot be responsible for delays occasioned by factors beyond Engineer's control, or factors which would not reasonably have been foreseen at the time this Agreement was executed.

### **Invoicing**

Amount invoiced each month will be based on time and expenses expended to date. Invoices shall be accompanied by a listing of charges that make up the invoice total, including employee names, billing rates, and hours of project staff, plus direct expenses.

**Exhibit A  
Jacobs  
2021 Per Diem Rate Schedule  
Professionals and Technicians\*  
Hourly Billing Rates**

<b>Classification</b>	<b>Rate</b>
Principal Project Manager	\$235
Sr. Technologist*/Sr. Project Manager	\$219
Engineer Specialist*/Project Manager	\$195
Project Engineer*	\$178
Associate Engineer*	\$153
Staff Engineer 2*	\$129
Staff Engineer 1*	\$111
Engineering/Environmental Tech 5	\$154
Engineering/Environmental Tech 4	\$135
Engineering/Environmental Tech 3	\$109
Engineering/Environmental Tech 2	\$91
Engineering/Environmental Tech 1	\$85
Office/Clerical/Accounting	\$78

Notes:

1. A markup of 10% will be applied to all other Direct Costs and Expenses.
2. An additional premium of 25% will be added to the above rates for Expert Witness and Testimonial Services
3. Rate Schedule subject to annual revision to reflect current rates.

\*Includes engineering, consulting, planner, and scientist disciplines

**Incline Village General Improvement District  
Effluent Pond Lining Final Design - Phase 1  
Jacobs Level of Effort**

May 20, 2021

Hours by Position										Estimated Labor Subtotal	Estimated ODCs/ Expenses	Budget Subtotal		
Category	PM/Civil Engineer	Lining/ Geotech. Engineer	Civil Engineer Designer	CAD Design Technician	Structural Engineer	Mech. Engineer	Quality Control	Cost Estimating	Admin./ Doc. Processing					
Name	Ashley Kellogg	Mark Twede	Travis Howard	Jesse Minor	Sean Troyan	James Wang	Brett Isbell	Nick Cavalleri	Diana Dore					
<b>2021 Hourly Rate:</b>	\$178	\$195	\$178	\$109	\$178	\$129	\$219	\$178	\$78					
<b>Task:</b>														
Project Initiation & Partnering Meeting	14	14	4						2	34	\$ 6,090	\$ 410	\$ 6,500	
Project Criteria	12	12	8		4	4			4	44	\$ 7,440	\$ 60	\$ 7,500	
Pond Lining Analysis	24	24	16	4	12	8		12	8	108	\$ 18,164	\$ 336	\$ 18,500	
Project Management & Quality Control	12									6	18	\$ 3,450	\$ 50	\$ 3,500
<b>Subtotal</b>	<b>62</b>	<b>50</b>	<b>28</b>	<b>4</b>	<b>16</b>	<b>12</b>	<b>6</b>	<b>12</b>	<b>14</b>		<b>\$ 35,144</b>	<b>\$ 856</b>	<b>\$ 36,000</b>	



## Project Summary

<b>Project Number:</b>	2524SS1010
<b>Title:</b>	Effluent Pipeline Project
<b>Project Type:</b>	B - Major Projects - Existing Facilities
<b>Division:</b>	24 - Transmission
<b>Budget Year:</b>	2021
<b>Finance Option:</b>	
<b>Asset Type:</b>	SS - Sewer System
<b>Active:</b>	Yes

<b>Project Description</b>				
The Effluent Pipeline Project will be a multi-year pipe replacement project. The immediate priority is to replace all of the remaining Segment 3 pipeline (12,385 linear feet) and to make immediate repairs to the Segment 2 pipeline (17,314 linear feet) to extend its life and avoid future leaks. The project timeline is to accomplish this over multiple construction seasons. TRPA and NDOT permits typically prohibit SR 28 traffic control delays from July 1 to September 5. This limits construction to May, June and Sept 6 to Oct 15. The replacement of Segment 3 would occur over two construction seasons. Replacing segment 2 would require 3 construction seasons. Repairs to segment 2 could be accomplished with a segment 3 construction phase.				
<b>Project Internal Staff</b>				
The engineering division will support this project. Outside consultants will be used for design and management. The project will be publicly advertised in accordance with NRS 338.				
<b>Project Justification</b>				
The District currently owns, operates and maintains a 21-mile pipeline that exports treated wastewater effluent out of the Lake Tahoe Basin. This pipeline was installed in 1970 as part of the regional effort to protect Lake Tahoe's water quality by requiring all wastewater effluent to be exported out of the basin. Within the Tahoe Basin, this pipe is divided into three segments. Segment 1 is the low-pressure supply pipe to the pump station near Sand Harbor. Segment 2 is the welded steel high-pressure discharge pipe exiting the pump station. Segment 3 is the remaining low pressure jointed steel transmission pipeline within the Tahoe Basin running south to Spooner Summit. Segment 4 is the pipe that carries the effluent down the east side of the Carson Range from Spooner Summit to Hwy 395. Segment 5 is the pipeline that extends from HWY 395 to the bank of the Carson River. Segment 6 is the pipeline from the Carson River that delivers the effluent to the IVGID Wetlands Disposal Facility and was installed in 1983. A condition assessment completed on Segments 2 and 3 confirmed pipe deficiencies.				
<b>Forecast</b>				
<b>Budget Year</b>	<b>Total Expense</b>	<b>Total Revenue</b>	<b>Difference</b>	
2021				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
2022				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
2023				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
2024				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
2025				
Internal Services	100,000	0	100,000	
Project Design and Construction Costs	1,900,000	0	1,900,000	
Year Total	2,000,000	0	2,000,000	
	10,000,000	0	10,000,000	
<b>Year Identified</b>	<b>Start Date</b>	<b>Est. Completion Date</b>	<b>Manager</b>	<b>Project Partner</b>

2012	Jul 1, 2020	Jun 30, 2025	Engineering Manager	
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## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Brad Underwood, P.E.  
Director of Public Works

**SUBJECT:** Review, discuss, and possibly authorize or approve Contract Amendment for Additional Architectural Services associated with the Recreation Center Men's and Women's Locker Room Remodel Project: 4899FF1202 – Fund: Community Services; Division: Recreation; Vendor: Ward-Young Architecture for Architectural Services Additional Services Addendum #4 in the amount of \$17,000.

**DATE:** May 28, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees moves to approve the Additional Services Addendum #4 for Ward-Young Architecture for Additional Architectural Services in the amount of \$17,000 associated with Recreation Center Men's and Women's Locker Room Remodel Project #4899FF1202.

### **II. BACKGROUND**

At the Board of Trustees meeting on May 12, 2021, the Board requested to have Ward-Young Architecture to provide a proposal (Attachment A to the Additional Services Addendum) for additional design work to include preparing design boards representing three different quality of materials (such as tile, lockers, partitions, etc) to review. The design boards will represent materials that are currently included in the bid package, a lesser grade material, and a higher grade material. Staff also requested that the architect include time to cover services during the bidding phase of the project, since their previous contract was for background drawings, schematic design, and preparation of construction documents.

The breakdown of additional services is as follows:

- \$2,500 – Bidding Phase Services including responding to bidding questions, substitution requests, preparation of addenda



Review, discuss, and possibly authorize or approve -2-  
a Contract Amendment #2 for Ward-Young Architecture  
for Additional Services associated with the Recreation  
Center Men's and Women's Locker Room Remodel in  
the amount of \$17,000.

May 28, 2021

- \$5,000 – Additional Architectural services including alternate materials review, drawing changes, coordination with Washoe County (permitting)
- \$4,000 – Interior Design Team materials selections, sample ordering, presentation boards
- \$5,500 – Budget update to include time spent on field conditions, shower trench drains, suit dryer revisions, etc.

The last item covers owner changes and requests during the final design process that was outside the original design budget. This work has been completed but not invoiced.

This Contract Amendment #2 will bring the total contract with Ward-Young Architecture to \$57,222.00.

The project is currently out to bid with an adjusted bid opening date of July 28, 2021 to accommodate Board input on the various design features proposed.

### III. BID RESULTS

This item is not subject to competitive bidding within the meaning of Nevada Revised Statute 332.115.

### IV. FINANCIAL IMPACT AND BUDGET

The Recreation Center Locker Rooms Remodel (CIP #4899FF1202) is included in the 2020-21 CIP Budget. The project has a current budget of \$60,000 and since the Board approved the FY 21-22 budget as proposed, an additional \$800,000 (Attachment B-CIP Data Sheet) for construction has been allocated. This brings the total project budget to \$860,000.

The table below presents the total budgeted amount for the Recreation Center Locker Rooms Remodel project budget.

<b>Task</b>	<b>Cost</b>
Design/Internal Staff	\$60,000
Construction Management	\$65,000
Construction Reserves	\$65,000
Construction	\$670,000
<b>Total</b>	<b>\$860,000</b>

Construction reserves are listed at 9.7% to account for unforeseen conditions during construction such as needed to replace rotten framing, as an example.

Review, discuss, and possibly authorize or approve -3-  
a Contract Amendment #2 for Ward-Young Architecture  
for Additional Services associated with the Recreation  
Center Men's and Women's Locker Room Remodel in  
the amount of \$17,000.

May 28, 2021

## **V. ALTERNATIVES**

Stop the bidding process and defer Recreation Center Locker Rooms Remodel project.

## **VI. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

Attachments:

A - Ward-Young Architects, Additional Services Addendum #4

B - #4899FF1202 CIP Data Sheet 2022

**ADDITIONAL SERVICES ADDENDUM (ASA) #4  
to SHORT FORM AGREEMENT dated August 20, 2020  
between  
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
and  
WARD-YOUNG ARCHITECTS  
for PROFESSIONAL SERVICES**

This ASA, dated TBD, shall amend the referenced agreement to include the following project with relevant description, compensation, and schedule addressed herein.

**PROJECT DESCRIPTION**

Consultant shall perform increased architectural and interior design services, developing alternative materials sample palettes and corresponding material boards for review and selection by Owner, incorporate changes to the approved construction documents, coordinate changes with permit authorities as required and assist with bidding and preparation of addenda during the current bid process of the Recreation Center Locker Room Remodel Project. Project is located at 980 Incline Way in Incline Village, Nevada. Work is more fully described in the attached correspondence from CONSULTANT dated May 18, 2021.

**PAYMENT TO CONSULTANT**

Payment to be in accordance with Section 4, Payment to Consultant, of the Short Form Agreement, as follows:

1. Compensation must be billed on a Time and Materials basis.
2. All invoices and correspondence are to reference IVGID Project 4899FF1202.
3. Total Not to Exceed amount of this additional work will be \$17,000.00.

**PERIOD OF SERVICE**

Services shall be substantially completed by July 14, 2021.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

**OWNER:**  
**INCLINE VILLAGE G. I. D.**  
**Agreed to:**

**CONSULTANT:**  
**Agreed to:**

By: \_\_\_\_\_  
Brad B. Underwood, P. E.  
Director of Public Works

By: \_\_\_\_\_  
*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Date*

**Reviewed as to Form:**

\_\_\_\_\_  
Joshua Nelson  
District General Counsel

If Consultant is a corporation, attach evidence of authority to sign.

\_\_\_\_\_  
*Date*

Owner's address for giving notice:  
**INCLINE VILLAGE G. I. D.**  
893 Southwood Boulevard  
Incline Village, Nevada 89451  
775-832-1267- Engineering Division

Consultant's address for giving notice:  
**Ward Young Architecture & Planning**  
12010 Donner Pass Road, Ste. 201  
Truckee, CA 96161  
530-587-3859

May 18, 2021

Kate Nelson, PE  
Engineering Manager  
IVGID  
Incline Village, NV

Re: IVGID Project Number 4899FF1202  
Architectural Services Amendment #2  
Locker Room Remodel

Dear Ms. Nelson,

This amendment provides for additional services for on-going architectural and interior design services to develop alternative materials sample palettes and corresponding materials boards, incorporate changes to the approved construction documents, coordinate changes with permit authorities if required, assist with bidding, and preparation of addenda for the current bid process for the Locker Room Project.

This amendment includes additional design services as described above and adds Bidding Phase as previously described as Additional Services in proposal dated August 12, 2021, originally included as Attachment A to Short Form Agreement dated August 20 2021, to the current scope of services.

Compensation:

Increase the total design fee estimate by \$17,000 to include these services as described above and will be invoiced on a Time and Expense Basis in accordance with the original agreement.

Sincerely,

WARD-YOUNG ARCHITECTS  
a California corporation



Ron Larkins, Architect #8374  
Senior Associate

Attachment A to Short Form  
Agreement dated Aug. 20, 2020.

August 12, 2020

Mr. Nathan Chorey, PE  
Engineering Manager  
IVGID  
Incline Village, NV

TIM WARD, Architect, A.I.A.  
Principal  
LARRY YOUNG, Architect, A.I.A., A.I.C.P.  
Principal  
ROBERT HECK, Architect, A.I.A.  
Principal  
DON FULDA, Architect, A.I.A.  
Principal  
TED BROBST, Architect  
Principal  
MIKE MUSSANO, Architect, A.I.A.  
Principal  
RON LARKINS, Architect  
Sr. Associate

Re: Architectural Services for remodel of Locker Rooms  
IVGID Recreation Center  
Incline Village, NV

Dear Mr. Chorey,

Thank you for considering Ward-Young Architects to provide architectural services for the proposed remodel of the Locker rooms at the IVGID Recreation Center in Incline Village. The purpose of this letter is to describe the project, the anticipated scope of services we will provide, and describe the basis of compensation for our services.

**Project Description**

Remodel of the downstairs locker and restrooms to align with IVGID's current facility standards. Project will consider new finishes on all surfaces, with a priority given to hygienic improvements. Plumbing fixtures will be replaced with water saving, touchless features. Project will include new partitions and accessories. Lighting systems will be modernized with energy saving LED fixtures and controls. Accessibility improvements will incorporate path of travel, fixture clearances, maneuvering zones, and toilet accessory locations.

Construction of the project is intended to begin during the summer of 2021.

Remodeling of the upstairs restrooms are also being considered by IVGID and design services for that project are being addressed under a separate agreement. We are proposing to perform the initial scope of services for each project concurrently to be as cost effective as possible. If the two projects do not move forward concurrently, the fee estimates below will need to be revisited.

**Initial Scope of Services**

For this project, we are proposing to engage the services of DesignTech, a commercial interior design firm from Sacramento that we have worked with for over 25 years on selected commercial projects. They bring expertise in commercial interiors and finish material selections. We have also included the engineering consulting firm of Sugarpine Engineering for the mechanical/plumbing and electrical/lighting components of the project.

Our services will begin with preparing background drawings based on the original drawings for the building. We will visit the site to measure and confirm the as-built conditions.

To start Schematic Design, we will discuss with you the project goals and objectives. We will prepare floor plans showing proposed accessibility improvements as well as new materials selections for all surfaces including toilet partitions. Material selections and color schemes will be presented on display boards. Mechanical drawings will be prepared to show new fixture selections and locations. Electrical drawings will include new lighting systems throughout all the spaces. Product data sheets for material selections, plumbing fixtures, partitions, toilet accessories, lighting and control system will be prepared and submitted for your review. We will meet with you and the IVGID team members, either in-person or remotely, to present the proposed Schematic Design.

Following your approval of the Schematic Design and your authorization to proceed, we will produce construction drawings of the architectural, mechanical, and electrical portions of the project for submittal to the authority of jurisdiction. The construction drawings will include plans, elevations, sections, details, and specifications in sufficient detail as typically required to obtain a building permit, agency approvals, and contractor bids. We will assist you with the agency applications and provide the required number of copies of the drawings for submittal to the various agencies.

#### Additional services

During bidding, we will assist you by attending a pre-bid walkthrough, and responding to questions that may arise during the bidding process. We will consider requests for substitutions, prepare responses to questions from prospective contractors, and provide clarifications and interpretations of the Bidding Documents in the form of addenda.

During the Construction Phase, we typically answer questions from the builder and subcontractors, review product submittals, issue drawing clarifications when required, and resolve discrepancies between the drawings and the conditions in the field. Site visits will occur at appropriate intervals to allow us to become familiar with the general progress and quality of the work and we will keep you informed of the progress, quality, and any significant issues that may arise. We will review and advise on the contractor's applications for payment, if requested to do so. The architect shall not have control over or be responsible for construction means, methods, and procedures or safety precautions and programs in connection with the work as these are the contractor's responsibility.

#### Not Included in Scope of Services

- Civil or structural engineering as they are not anticipated to be needed at this time.
- Detailed Construction Cost Estimating
- Site Survey or TRPA coverage calculations
- Detailed temporary facilities plans

#### Compensation

We propose that our services for this project be performed on a time and expense basis. Based on the scope of services described above, we estimate our fees to be as follows:

##### Downstairs Locker Rooms:

• Background Drawings	\$3,870
• Schematic Design	\$16,161
• Construction documents	\$20,192
• Total Fee Estimate - Locker Rooms	\$40,222

The Total Fee Estimate will not be exceeded without prior written approval.



Nathan Chorey  
August 12, 2020  
Page 3

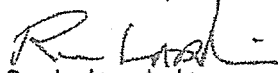
Provisions of the Agreement

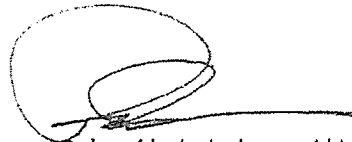
Services provided and expenses incurred in the interest of the project will be invoiced on a Time and Expense Fee Basis, as indicated above, in accordance with the accompanying FEE SCHEDULE AND GENERAL CONDITIONS. The attached FEE SCHEDULE and GENERAL CONDITIONS provide terms and conditions pertaining to this agreement for services. If this proposal letter and the FEE SCHEDULE and GENERAL CONDITIONS are acceptable, please sign below. By signing below, you acknowledge and accept the terms and conditions herein and in the FEE SCHEDULE and GENERAL CONDITIONS, including the Limitation of Liability provision on Page 3. Please return one executed copy to our Truckee office.

Thank you for your consideration of our proposal and opportunity to provide services. Please contact us if you have any questions or comments about this proposal or the attachment. We look forward to assisting you in creating a successful project.

Sincerely,

WARD-YOUNG ARCHITECTS  
a California corporation

  
Ron Larkins, Architect  
Senior Associate, #8374

  
Robert Heck, Architect, AIA  
Principal, #3590

Attachment: FEE SCHEDULE AND GENERAL CONDITIONS

I hereby authorize Ward-Young Architects to proceed with the services described above and in accordance with the terms and conditions described herein and in the attached Fee Schedule and General Conditions.

For IVGID:

\_\_\_\_\_  
N/A- See SFA  
Nathan Chorey, PE  
Engineering Manager

\_\_\_\_\_  
Date

WARD ARCHITECTS & ENGINEERS  
YOUNG

**WARD-YOUNG ARCHITECTS, A CALIFORNIA CORPORATION**  
**FEE SCHEDULE and GENERAL CONDITIONS**

Owner/Client: Incline Village General Improvement District

Project: Recreation Center remodel of Locker Rooms

**FEE SCHEDULE:**

All services performed on a Time and Expense ("hourly") basis will be charged as indicated below. These hourly rates are subject to adjustment in accordance with Ward-Young Architects' annual review of salaries, wages, and overhead costs.

<b>Services by:</b>	<b>Charge to Owner/Client:</b>
Sr. Principal	\$210
Principal	\$185
Sr. Associate	\$160
Associate	\$140
Project Architect	\$130
Staff Architect/Project Manager	\$120
Assistant Project Manager/ Job Captain	\$110
Sr. Designer/Drafter	\$105
Int. Designer/Drafter	\$ 95
Jr. Designer/Drafter	\$ 85
Clerical	\$ 75

**EXPENSES CHARGED TO OWNER/CLIENT:**

Reimbursable Expenses will be charged at direct cost times a 1.1 multiplier, including services performed and expenses incurred in the interest of the project by professional consultants. These expenses include the following:

- 1) Secretarial tasks, such as typing of Specifications and reports.
- 2) Expense of transportation and living expenses beyond a 30-mile radius of the office in connection with out-of-town travel authorized by the Owner.
- 3) Fees paid for securing approval of authorities having jurisdiction over the Project.
- 4) Reproductions.
- 5) Postage and handling of Drawings, Specifications, and other materials related to the Project.
- 6) Expense of overtime work requiring higher than regular rates, if authorized by the Owner.
- 7) Renderings and models requested by the Owner.
- 8) Expense of additional insurance coverage or limits, including professional liability insurance, requested by the Owner in excess of that normally carried by the Architect and Architect's consultants.

**PAYMENTS:**

Invoices will be presented monthly and are due and payable upon receipt, unless other payment arrangements have been agreed upon in writing. Amounts not received 30 days from the invoice date will be subject to a charge of 1.5% per month (annual percentage rate of 18%) from the invoice date. Necessary costs and expenses of collection, including reasonable attorney's fees, shall be borne by the Client.

No deductions shall be made from the Architect's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the work other than those for which the Architect has been found to be liable.

**OWNERS' RESPONSIBILITIES:**

The Owner shall provide full information, including a program which shall set forth the Owner's objectives, schedule, constraints, budget with reasonable contingencies and criteria.

The Owner shall furnish surveys describing physical characteristics, legal limitations and utility locations for the site of the Project. The surveys and legal information shall include, as applicable, rights-of-way, restrictions, easements, encroachments, zoning, and deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data pertaining to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade including inverts and depths. All the information on the survey shall be referenced to a project benchmark.

**INSTRUMENTS OF SERVICE:**

Drawings, Specifications, and other documents, including those in electronic form, prepared by the Architect and the Architect's consultants, are Instruments of Service for use solely with respect to this Project. The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service and shall retain all common law, statutory and other reserved rights, including copyrights. Upon execution of this Agreement, the Architect grants to the Owner a non-exclusive license to reproduce the Architect's Instruments of Service solely for purposes of constructing, using and maintaining the Project, provided

that the Owner shall comply with all obligations, including prompt payment of all sums when due, under this Agreement. However, the Owner shall be permitted to authorize the Contractor, Subcontractors, Sub-subcontractors and material or equipment suppliers to reproduce portions of the Instruments of Service appropriate to and for use in their execution of the Work by license granted in the previous sentence. The Owner shall not assign, delegate, sublicense, pledge, or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

#### SUSPENSION; TERMINATION:

- 1) This Agreement may be terminated by either party upon not less than seven days written notice, should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.
- 2) If the Project is suspended by the Owner for more than 30 consecutive days, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect's compensation shall be equitably adjusted to provide for expenses incurred in the interruption and resumption of the Architect's services.
- 3) This Agreement may be terminated by the Owner upon not less than seven days' written notice to the Architect in the event that the Project is permanently abandoned. If the Project is suspended by the Owner for more than 90 consecutive days, the Architect may terminate this Agreement by giving written notice.
- 4) Failure of the Owner to make payments to the Architect in accordance with this Agreement shall be considered substantial non-performance and cause for termination.
- 5) If the Owner fails to make payment when due to the Architect for services and expenses, the Architect may, upon seven days written notice to the Owner, suspend performance of services under this Agreement. Unless payment in full is received by the Architect within seven days of the date of the notice, the suspension shall take effect without further notice. Before resuming services, the Architect shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services.
- 6) In the event of termination not the fault of the Architect, the Architect shall be compensated for services performed prior to its receipt of a notice of termination, together with reasonable compensation for services necessary to terminate further performance and Reimbursable Expenses then due.

#### MISCELLANEOUS PROVISIONS:

- 1) The Owner and Architect, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Neither Owner nor Architect shall assign this Agreement without the written consent of the other.
- 2) This Agreement represents the entire and integrated agreement between the Owner and Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.
- 3) The Owner agrees to indemnify, defend and hold the Architect harmless from and against any and all claims, liabilities, suits, demands, losses, costs and expenses, including reasonable attorneys' fees (including as necessary the fees of separate counsel for Architect), accruing or resulting to any and all persons, firms or any other legal entities on account of any damage to property or persons, including death, arising out of the performance or non-performance of obligations under this Agreement, except that the Architect shall reimburse the Owner's defense costs to the extent the Architect is found to be solely liable for such damages or losses by a court or forum of competent jurisdiction.
- 4) Notwithstanding any other provision in this Agreement to the contrary, nothing herein contained shall be construed as:
  - a) Constituting a guarantee, warranty or assurance, either express or implied, under this Agreement or otherwise, in connection with the Architectural Services; or
  - b) Obligating the Architect to exercise a standard of care for all professional architectural and related services, skill or judgment performed or furnished by the Architect greater than that ordinarily used by other architects under like circumstances at the same time and in the same locality; or
  - c) An assumption by the Architect of the liability of any other party, including any person hired by the Owner to provide instructions, reports, data or calculations to be used by the Architect in connection with the Architectural Services; and additionally, Architect may rely on the accuracy and completeness of, requirements, programs, instructions, reports, data, calculations and other information furnished to Architect by the Owner or the Owner's engineers, consultants or other design professionals without liability therefore; or
  - d) Requiring the Architect to sign any documents, no matter by whom requested, issue any certificates or certifications that extend the Architect's liability beyond that undertaken in this Agreement or that would result in Architect having to certify, guarantee or warrant the existence of conditions which Architect cannot ascertain and, within the scope of Architectural Services hereunder have not and could not be ascertained; and, Owner agrees not to make any resolution of any dispute with the Architect or payment of any amount due Architect in any way contingent upon Architect signing any such documents or certification.

#### MEDIATION/ARBITRATION:

Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition

precedent to binding arbitration or the institution of legal or equitable proceedings by either party. The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation which shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association, unless the parties mutually agree otherwise. The request for mediation may be made concurrently with the filing of a demand for arbitration but mediation shall proceed in advance of arbitration or legal or equitable proceedings. The parties shall share the mediator's fee and any filing fees equally. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

#### ATTORNEY FEE AND COSTS:

In the event of legal proceedings, including arbitration, to settle any dispute arising from this Agreement, the prevailing party shall be entitled to its reasonable attorney fees and costs, including as costs the fees and expenses of the arbitrator(s). If a party prevails on some issues and an opposing party on other issues, the arbitrator or judge, as the case may be, shall apportion attorney fees and costs as is just and equitable in the circumstances.

#### LIMITATION OF LIABILITY:

The Owner agrees to limit the Architect's liability to the Owner or anyone claiming through Owner, for any and all claims, costs, losses or damages arising out of, in connection with, or in any way related to this Project or this Agreement from any cause of action including but not limited to negligence, error, omission, breach of contract, breach of warranty or strict liability such that the total aggregate liability of the Architect to all those named shall not exceed \$100,000.

The Owner recognizes that it is neither practical nor customary for the Architect to include all construction details in Drawings and Specifications, creating a need for interpretation in the field by the Architect or an individual who is under the Architect's supervision. The Owner also recognizes that customary Construction Phase services permits the Architect to identify and correct quickly and at comparatively low-cost professional errors or omissions that are revealed through construction, or errors or omissions committed by others due to misinterpretation of design documents, or due to other causes. For the foregoing reasons, Construction Phase services are generally considered an essential element of a complete design professional service. Accordingly, if the Owner directs the Architect to not provide Construction Phase services or limits the customary scope of such services by the Architect, the Architect shall not be responsible for the consequences of any of the Architect's acts, errors, or omissions, except for those consequences which, if reasonably concluded, the Architect's review services would not have prevented or mitigated.

#### ADDITIONAL SERVICES:

Services beyond the scope of this Agreement are considered Additional Services. Additional Services may be requested by the Owner and provided by the Architect. Such services shall be paid for on a Time and Expense Basis, unless another compensation basis has been agreed upon in advance. The Architect shall notify the Owner prior to commencing such services. If the Owner deems such services are not required, the Owner shall give prompt written notice to the Architect. If the Owner indicates in writing that all or part of such services are not required, the Architect shall have no obligation to provide these services. Additional Services include, but are not limited to:

- 1) Making revisions in Drawings, Specifications or other documents when such revisions are:
  - a) inconsistent with approvals or instructions previously given by the Owner, including revisions made necessary by adjustments in the Owner's program or Project budget;
  - b) required by the enactment or revision of codes, laws or regulations subsequent to the preparation of such documents; or
  - c) due to changes required as a result of the Owner's failure to render decisions in a timely manner.
- 2) Providing services required because of significant changes in the Project including, but not limited to, size, quality, complexity, the Owner's schedule, or the method of bidding or negotiating and contracting for construction.
- 3) Preparing Drawings, Specifications and other documentation and supporting data, evaluating Contractor's proposals, and providing other services in connection with Change Orders and Construction Change Directives.
- 4) Providing services in connection with evaluating substitutions proposed by the Contractor and making subsequent revisions to Drawings, Specifications and other documentation resulting therefrom.
- 5) Providing consultation concerning replacement of Work damaged by fire or other cause during construction, and furnishing services required in connection with the replacement of such Work.
- 6) Providing services made necessary by the default of the Contractor, by major defects or deficiencies in the Work of the Contractor, or by failure of performance of either the Owner or Contractor under the Contract for Construction.
- 7) Providing services in evaluating an extensive number of claims submitted by the Contractor or others in connection with the Work.
- 8) Providing services in connection with a public hearing, arbitration proceeding or legal proceeding except where the Architect is party thereto.
- 9) Preparing documents for alternate, separate or sequential bids or providing services in connection with bidding, negotiation or construction prior to the completion of the Construction Documents Phase.



## Project Summary

<b>Project Number:</b>	4899FF1202
<b>Title:</b>	Rec Center Locker Room Improvements
<b>Project Type:</b>	D - Capital Improvement - Existing Facilities
<b>Division:</b>	99 - Rec. Admin.
<b>Budget Year:</b>	2022
<b>Finance Options:</b>	
<b>Asset Type:</b>	FF - Furniture and Fixtures
<b>Active:</b>	Yes

<b>Project Description</b>				
Renovate men's and women's locker rooms at the Rec Center. Improvements include new tile, plumbing fixtures, partitions, light fixtures, lockers, ceiling tile, drains, as well as ADA improvements.				
<b>Project Internal Staff</b>				
Engineering staff will select an Architect to prepare construction documents for proposed improvements. During design, Rec Center staff will provide feedback on proposed designs. Construction to be completed by a licensed contractor. Construction management to be provided by Architect and IVGID staff.				
<b>Project Justification</b>				
The locker rooms are showing their age and have fallen below IVGID's standard of service. Lockers to be replaced by modern units with an integrated security system for safety and ease of use. The new material should be designed to last many years, be easier to clean, and prevent rusting and mold/smell in the facility. The built-in locking/security system advantage is that it prevents vandalism and theft of members/guests' personal items as they do not have to remember their own lock. New tile and fixtures will help modernize the facility. Potential funding source: included in annual budget depreciation that sets user fees and Rec Fee allotment.				
<b>Forecast</b>				
<b>Budget Year</b>	<b>Total Expense</b>	<b>Total Revenue</b>	<b>Difference</b>	
2022				
Construction	670,000	0	670,000	
Construction Management	65,000	0	65,000	
Construction Reserves	65,000	0	65,000	
<b>Year Total</b>	<b>800,000</b>	<b>0</b>	<b>800,000</b>	
	<b>800,000</b>	<b>0</b>	<b>800,000</b>	
<b>Year Identified</b>	<b>Start Date</b>	<b>Est. Completion Date</b>	<b>Manager</b>	<b>Project Partner</b>
2021			Engineering Manager	

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Brad Underwood  
Director of Public Works

**SUBJECT:** Interlocal Contract Amendment with Nevada Division of State Lands for Sale and Transfer of Coverage Owned by Incline Village General Improvement District

**DATE:** May 24, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees makes a motion to:

1. Approve Amendment #1 of the Interlocal Contract, dated March 2017, between the Nevada Division of State Lands (NDSL) – Nevada Land Bank and the Incline Village General Improvement District for the Management, Sale and Transfer of Coverage Owned by Incline Village General Improvement District.
2. Authorize Chair to execute the Amendment based on a review by General Counsel and Staff.

### **II. BACKGROUND**

The Nevada Division of State Lands (NDSL) has administered the operation of the Nevada Land Bank for the sale and transfer of Incline Village General Improvement District's (IVGID) surplus potential land coverage since 2002. The program is governed by an Interlocal contract and a policies and procedure manual to implement the land coverage sales program. There have been a series of contracts and amendments since the original contract in 2002. Past practice has been to have Board approval of the contract with any Amendments being signed by the General Manager or Director of Public Works. The most recent Interlocal contract from March 2017 did not follow this practice and was signed by the Director of Public Works without Board approval. This contract had an expiration date of May 9, 2021 and IVGID was provided with an Amendment to the 2017 contract to approve. In following past practice, Public Works staff requested the General Manager sign the Amendment which was done in advance of the Contract expiration date. However, in discussions between the General Manager, District Counsel and Director of Public Works, it has been decided that the Board be

requested to approve this Amendment. This is due to the March 2017 Interlocal contract not being approved by the Board.

The totals for the land coverage sales on the open market since inception of the program for services from NDSL are 96,060 square feet, netting a total of \$1,525,040 to IVGID. The IVGID Board also approved three transactions to retire 168,210 square feet of Class 6 coverage to the State of Nevada in, netting a total of \$1,707,070 to IVGID. All proceeds are used to fund capital projects in community services.

### Land Coverage Sales 2002-Present

<b>Class of Coverage</b>	<b>Sq. Ft of Coverage Sold</b>	<b>Net to IVGID</b>
Class 1a Sold	14,864	\$585,721
Class 4 & 6 Sold	60,206	\$939,319
<b>Subtotal</b>	<b>75,070</b>	<b>\$1,525,040</b>
Class 4 & 6 Retired by State of Nevada	168,210	\$1,707,070
<b>Total Retired or Sold</b>	<b>243,280</b>	<b>\$3,232,110</b>

This program has proven to be very successful to IVGID and to the customers and property owners of Incline Village who are now able to complete their projects under TRPA coverage procedures. IVGID currently has 23,021 square feet of potential Class 4 and 6 coverage and 10,919 square feet of potential Class 1a coverage available for sale in the Nevada Land Bank pending approval of this Amendment.

The NDSL has proposed entering into this Amendment for the management, sale, and transfer of coverage until June 30, 2023. The only changes from the previous contract are minor policy and procedure changes to reflect current practices such as a minimum purchase requirement of 50 square feet, a fee for services to NDSL of \$1.00 per square foot sold and transferred, a \$250 application fee paid to NDSL from each applicant.

All sales of coverage are split 50/50 between IVGID coverage and State of Nevada coverage. Revenues to each entity are calculated as the amount of coverage sold from each agency's land bank times the land coverage sale price.

### III. BID RESULTS

This item is not subject to competitive bidding within the meaning of the Nevada Revised Statutes 332.115.

### IV. FINANCIAL IMPACT AND BUDGET

As detailed under Background, the land coverage sales program has netted \$3,232,110 for IVGID. This agreement will continue the land coverage sales program but future



revenues are unknown. Transactions are to be split 50/50 between IVGID and the State of Nevada with a small administrative fee deducted from IVGID's share from the coverage sale. Overall, the program has been very successful and provided a resource for the community to purchase land coverage to complete development projects while meeting environmental thresholds.

## **V. ALTERNATIVES**

Do not approve the Amendment to the Interlocal contract, which will require the District to administer the land coverage and provide 100% of the property instead of a 50/50 split with NDSL.

## **VI. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

Attachments:

- Amendment #1
- Interlocal Contract Between Public Agencies

CETS #:	18594
Solicitation #:	

**AMENDMENT # 1**

**TO CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR**

Between the State of Nevada  
Acting by and Through Its

Agency Name:	Nevada Division of State Lands
Address:	901 S. Stewart Street STE # 5003
City, State, Zip Code:	Carson City, NV 89701
Contact:	Sherri Barker
Phone:	775-530-1707
Fax:	775-684-2721
Email:	sbarker@lands.nv.gov

Contractor Name:	Incline Village General Improvement District
Address:	1220 Sweetwater Road
City, State, Zip Code:	Incline Village, NV 89451-9214
Contact:	Indra Winqwest, General Manager
Phone:	775-832-1203
Fax:	N/A
Email:	pw@ivgid.org

I. **AMENDMENTS.** For and in consideration of mutual promises and other valuable consideration, all provisions of the original Contract resulting from Request for Proposal #18594 and dated 04/07/2017, attached hereto as Exhibit A, remain in full force and effect with the exception of the following:

A. **Provide a brief explanation for contract amendment.** The current contract expires 5/9/2021. This will be an amendment to extend the expiration date and to add \$10,000.00 to the current revenue contract of \$20,000.00 for a new total of \$30,000.00. The current revenue amount is not mentioned in the original contract. This amendment is to add an additional 2 years and 52 days to extend the expiration date until June 30, 2023. Add language to page 11 III. POLICIES (add line #14): An application to purchase coverage must request to purchase greater than 50 square feet for the NDSL Land Bank to include IVGID's coverage in a split sale.

B. **Current Contract Language:**

3. **Contract Term.** This Contract shall be effective upon approval to May 9, 2021, unless sooner terminated by either party as set forth in this Contract.

7. **Consideration.** NDSL agrees to provide the services set forth in paragraph (6) for a fee of ONE DOLLAR (\$1.00) per square foot of land coverage sold and transferred by NDSL to a receiving parcel in the Incline Village area. This fee shall be paid to NDSL from funds received by IVGID at the close of each escrow. NDSL shall also receive from each applicant an application fee in the amount of TWO HUNDRED AND FIFTY DOLLARS (\$250.00) when the completed application is reviewed and accepted for processing. A

CETS #:	18594
Solicitation #:	

total Interlocal Contract amount is not applicable in this case because NDSL is providing a service to IVGID and it is unknown how many square feet of IVGID's land coverage will be sold during the term of the contract. This Interlocal Contract will not involve any significant expenditure of funds from a State Budget Account and involves the State receiving income from services rendered. The monies received by the State as a result of this Interlocal Contract will be used to carry out the intent of the Nevada Land Bank as established pursuant to Chapter 355, Statutes of Nevada, 1993. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require. In addition, other forms of the contract notwithstanding, NDSL may, in its sole discretion, supply in any sale and/or transfer, HALF (1/2) of the total land coverage to be sold and transferred, from land coverage owned by NDSL. In such event, NDSL shall remain entitled to the square footage fee based on the total land coverage amount being sold and transferred by IVGID and NDSL to a receiving parcel.

### III. POLICIES

1. The Parties agree that transfers of potential coverage derived from IVGID properties and, where applicable, NDSL coverage must be in accordance with Chapter 30 of the TRPA Code of Ordinances and all applicable laws.
2. The Parties agree to seek fair market value for the public asset.
3. The Parties agree to preclude speculation by preventing IVGID's potential coverage from feeding a "secondary" market. The Program will not compete unfairly with the private market.
4. The parties agree to assure a fair and equitable process whereby public and private needs can be met.
5. The IVGID Board of Trustees is the sole arbiter and policy maker for IVGID's Surplus Potential Land Coverage Program.
6. NDSL shall be the sole arbiter and policy maker for the Nevada Land Bank.
7. IVGID will refer all inquiries regarding the purchase of potential land coverage to NDSL.
8. NDSL shall handle all inquiries and sales regarding IVGID's potential coverage per the procedures outlined below.
9. The Parties agree that the potential coverage shall be made available only for projects within Hydrologic Zone One-Incline Village.
10. The Parties agree to meet on a regular basis to discuss issues regarding the Program.
11. Either IVGID or NDSL shall have the right to cancel the Program, at their sole discretion. Any amendments or modifications are subject to written approval by both IVGID and NDSL.
12. For transactions involving a Class of coverage outside of the coverage inventory maintained by IVGID, NDSL reserves the right to supply the full amount for the transfer. This would apply to

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Solicitation #:	

Class 1b restored, Class 1b potential and Class 6 restored. In these situations, only NDSL would not collect any management fees from IVGID. NDSL would communicate this sale information to IVGID and the sale would be reported to IVGID as part of the written, year-end fiscal reporting requirements by

NDSL. Should IVGID obtain these classes of coverage and make them available for transfer, NDSL would manage the coverage sale transaction in the normal manner with each entity supplying half of the coverage needed. A management fee would apply in these cases.

13. For transactions involving Class 6 coverage, NDSL reserves the right to transfer its Class 6 restored soft or Class 6 potential coverage to satisfy its portion of the transfer.
  - a. For example, if the transfer involves 1,200 square feet of Class 6 coverage, IVGID would supply 600 square feet of its Class 6 potential coverage and NDSL could supply 600 square feet of its restored coverage. This example would only apply to the extent of the availability of the Class 6 restored coverage.

**C. Amended Contract Language:**

3. Contract Term. This Contract shall be effective upon approval to June 30, 2023, unless sooner terminated by either party as forth in this Contract.

7. Consideration. NDSL agrees to provide the services set forth in paragraph (6) for a fee of ONE DOLLAR (\$1.00) per square foot of land coverage sold and transferred by NDSL to a receiving parcel in the Incline Village area. This fee shall be paid to NDSL from funds received by IVGID at the close of each escrow. NDSL shall also receive from each applicant an application fee in the amount of TWO HUNDRED AND FIFTY DOLLARS (\$250.00) when the completed application is reviewed and accepted for processing. A total Interlocal Contract amount is up to \$30,000.00. This Interlocal Contract will not involve any significant expenditure of funds from a State Budget Account and involves the State receiving income from services rendered. The monies received by the State as a result of this Interlocal Contract will be used to carry out the intent of the Nevada Land Bank as established pursuant to Chapter 355, Statutes of Nevada, 1993. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require. In addition, other forms of the contract notwithstanding, NDSL may, in its sole discretion, supply in any sale and/or transfer, HALF (1/2) of the total land coverage to be sold and transferred, from land coverage owned by NDSL. In such event, NDSL shall remain entitled to the square footage fee based on the total land coverage amount being sold and transferred by IVGID and NDSL to a receiving parcel.

**II. POLICIES**

1. The Parties agree that transfers of potential coverage derived from IVGID properties and, where applicable, NDSL coverage must be in accordance with Chapter 30 of the TRPA Code of Ordinances and all applicable laws.
2. The Parties agree to seek fair market value for the public asset.
3. The Parties agree to preclude speculation by preventing IVGID's potential coverage from feeding a "secondary" market. The Program will not compete unfairly with the private market.

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Solicitation #:	

4. The parties agree to assure a fair and equitable process whereby public and private needs can be met.
5. The IVGID Board of Trustees is the sole arbiter and policy maker for IVGID's Surplus Potential Land Coverage Program.
6. NDSL shall be the sole arbiter and policy maker for the Nevada Land Bank.
7. IVGID will refer all inquiries regarding the purchase of potential land coverage to NDSL.
8. NDSL shall handle all inquiries and sales regarding IVGID's potential coverage per the procedures outlined below.
9. The Parties agree that the potential coverage shall be made available only for projects within Hydrologic Zone One-Incline Village.
10. The Parties agree to meet on a regular basis to discuss issues regarding the Program.
11. Either IVGID or NDSL shall have the right to cancel the Program, at their sole discretion. Any amendments or modifications are subject to written approval by both IVGID and NDSL.
12. For transactions involving a Class of coverage outside of the coverage inventory maintained by IVGID, NDSL reserves the right to supply the full amount for the transfer. This would apply to Class 1b restored, Class 1b potential and Class 6 restored. In these situations, only NDSL would not collect any management fees from IVGID. NDSL would communicate this sale information to IVGID and the sale would be reported to IVGID as part of the written, year-end fiscal reporting requirements by NDSL. Should IVGID obtain these classes of coverage and make them available for transfer, NDSL would manage the coverage sale transaction in the normal manner with each entity supplying half of the coverage needed. A management fee would apply in these cases.
13. For transactions involving Class 6 coverage, NDSL reserves the right to transfer its Class 6 restored soft or Class 6 potential coverage to satisfy its portion of the transfer.
  - a. For example, if the transfer involves 1,200 square feet of Class 6 coverage, IVGID would supply 600 square feet of its Class 6 potential coverage and NDSL could supply 600 square feet of its restored coverage. This example would only apply to the extent of the availability of the Class 6 restored coverage.
14. An application to purchase coverage must request to purchase greater than 50 square feet for the NDSL Land Bank to include IVGID's coverage in a split sale.

IV. **INCORPORATED DOCUMENTS.** Exhibit A (original Contract) is attached hereto, incorporated by reference herein and made a part of this amended contract.

V. **REQUIRED APPROVAL.** This amendment to the original Contract shall not become effective until and unless approved by the Nevada State Board of Examiners.



**INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES**

A Contract Between the State of Nevada  
Acting By and Through Its

Division of State Lands, Nevada Land Bank  
901 South Stewart Street #5003  
Carson City, Nevada 89701  
(775) 684-2720 phone  
(775) 684-2721 fax

and

Incline Village General Improvement District  
1220 Sweetwater Road  
Incline Village, Nevada 89451  
(775) 832-1337 phone  
(775) 832-1260 fax



WHEREAS, NRS 277.180 authorizes any one or more public agencies to contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, the Incline Village General Improvement District hereinafter referred to as "IVGID", owns a substantial amount of potential land coverage, which deems to be a surplus commodity. IVGID and the Nevada Division of State Lands, hereinafter referred to as "NDSL" have determined that there is a demand for coverage by both the public and private sectors of Incline Village, Nevada, and therefore it would be a public benefit to make this surplus potential land coverage available for sale for projects in Incline Village that require additional coverage;

WHEREAS, NDSL desires to be part of a cooperative effort and has the ability and expertise to provide the service of administering the sale and transfer of IVGID's surplus land coverage to the public and private sectors of Incline Village;

WHEREAS, it is deemed that the services to be provided by NDSL and the Nevada Land Bank have been requested by IVGID and are in the best interests of both the State of Nevada and IVGID;

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. REQUIRED APPROVAL. This Contract shall not become effective until and unless approved by appropriate official action of the governing body of each party.

2. DEFINITIONS. "State" means the State of Nevada and any state agency identified herein, its officers, employees and immune contractors as defined in NRS 41.0307. "Land coverage" means a man-made structure, improvement or covering that prevents normal precipitation from directly reaching the surface of the land underlying the structure, improvement or covering. "Potential land coverage" means the land coverage allowed as base



coverage on a parcel of land, per Chapter 30 of the Tahoe Regional Planning Agency Code of Ordinances, but which does not physically exist.

3. CONTRACT TERM. This Contract shall be effective upon approval to May 9, 2021, unless sooner terminated by either party as set forth in this Contract.

4. TERMINATION. This Contract may be terminated by either party prior to the date set forth in paragraph (3), provided that a termination shall not be effective until THIRTY (30) days after a party has served written notice upon the other party. This Contract may be terminated by mutual consent of both parties or unilaterally by either party without cause. The parties expressly agree that this Contract shall be terminated immediately if for any reason federal and/or State Legislature funding ability to satisfy this Contract is withdrawn, limited, or impaired.

5. NOTICE. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address set forth above.

6. INCORPORATED DOCUMENTS. The parties agree that the services to be performed shall be specifically described; this Contract incorporates the following attachments in descending order of constructive precedence:

ATTACHMENT A: POLICIES AND PROCEDURES FOR THE MANAGEMENT, SALE AND TRANSFER OF COVERAGE OWNED BY THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT.

7. CONSIDERATION. NDSL agrees to provide the services set forth in paragraph (6) for a fee of ONE DOLLAR (\$1.00) per square foot of land coverage sold and transferred by NDSL to a receiving parcel in the Incline Village area. This fee shall be paid to NDSL from funds received by IVGID at the close of each escrow. NDSL shall also receive from each applicant an application fee in the amount of TWO HUNDRED AND FIFTY DOLLARS (\$250.00) when the completed application is reviewed and accepted for processing. A total Interlocal Contract amount is not applicable in this case because NDSL is providing a service to IVGID and it is unknown how many square feet of IVGID's land coverage will be sold during the term of the contract. This Interlocal Contract will not involve any significant expenditure of funds from a State Budget Account and involves the State receiving income from services rendered. The monies received by the State as a result of this Interlocal Contract will be used to carry out the intent of the Nevada Land Bank as established pursuant to Chapter 355, Statutes of Nevada, 1993. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require. In addition, other forms of the contract notwithstanding, NDSL may, in its sole discretion, supply in any sale and/or transfer, HALF (1/2) of the total land coverage to be sold and transferred, from land coverage owned by NDSL. In such event, NDSL shall remain entitled to the square footage fee based on the total land coverage amount being sold and transferred by IVGID and NDSL to a receiving parcel.

8. ASSENT. The parties agree that the terms and conditions listed on incorporated attachments of this Contract are also specifically a part of this Contract and are limited only by their respective order of precedence and any limitations expressly provided.

9. INSPECTION & AUDIT.

a. Books and Records. Each party agrees to keep and maintain under general accepted accounting principles full, true and complete records, agreements, books, and documents as are necessary to fully disclose to the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.

b. Inspection & Audit. Each party agrees that the relevant books, records (written, electronic, computer related or otherwise), including but not limited to relevant accounting procedures and practices of the party, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location where such records may be found, with or without notice by the State Auditor, Employment Security, the Department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the State Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives.

c. Period of Retention. All books, records, reports, and statements relevant to this Contract must be retained a minimum three years and for five years if any federal funds are used in this Contract. The retention period runs from the date of termination of this Contract. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

10. BREACH; REMEDIES. Failure of either party to perform any obligation of this Contract shall be deemed a breach. Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including but not limited to actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall include without limitation \$125 per hour for State-employed attorneys.

11. LIMITED LIABILITY. The parties will not waive and intend to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Actual damages for any State breach shall never exceed the amount of funds which have been appropriated for payment under this Contract, but not yet paid, for the fiscal year budget in existence at the time of the breach.

12. FORCE MAJEURE. Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Contract after the intervening cause ceases.

13. INDEMNIFICATION.

a. To the fullest extent of limited liability as set forth in paragraph (11) of this Contract, each party shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of the party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.

b. The indemnification obligation under this paragraph is conditioned upon receipt of written notice by the indemnifying party within 30 days of the indemnified party's actual notice of any actual or pending claim or cause of action. The indemnifying party shall not be liable to hold harmless any attorneys' fees and costs for the indemnified party's chosen right to participate with legal counsel.

14. INDEPENDENT PUBLIC AGENCIES. The parties are associated with each other only for the purposes and to the extent set forth in this Contract, and in respect to performance of services pursuant to this Contract, each party is and shall be a public agency separate and distinct from the other party and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its

duties under this Contract. Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other party.

15. WAIVER OF BREACH. Failure to declare a breach or the actual waiver of any particular breach of the Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

16. SEVERABILITY. If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

17. ASSIGNMENT. Neither party shall assign, transfer or delegate any rights, obligations or duties under this Contract without the prior written consent of the other party.

18. OWNERSHIP OF PROPRIETARY INFORMATION. Unless otherwise provided by law any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by either party in performance of its obligations under this Contract shall be the joint property of both parties.

19. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents may be open to public inspection and copying. The parties will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests.

20. CONFIDENTIALITY. Each party shall keep confidential all information, in whatever form, produced, prepared, observed or received by that party to the extent that such information is confidential by law or otherwise required by this Contract.

21. PROPER AUTHORITY. The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract and that the parties are authorized by law to perform the services set forth in paragraph (6).

22. GOVERNING LAW; JURISDICTION. This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The parties consent to the jurisdiction of the Nevada district courts for enforcement of this Contract.

23. ENTIRE AGREEMENT AND MODIFICATION. This Contract and its integrated attachment(s) constitute the entire agreement of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto, approved by the Office of the Attorney General.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

STATE OF NEVADA, DIVISION OF STATE LANDS

Bradley Crowell 3/31/17  
Bradley Crowell Date

Director, Department of Conservation and Natural Resources  
Title

Charles Donohue 3/22/17  
Charles Donohue Date

Administrator, Nevada Division of State Lands  
Title

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

Joseph J. Pomroy March 21, 2017  
Joseph J Pomroy Date

Director of Public Works  
Title

Curtis Palmer for James R. Wells  
Signature - Nevada State Board of Examiners

APPROVED BY BOARD OF EXAMINERS

Approved as to form and compliance with law by:

Lori M. Stoy  
Senior Deputy Attorney General for Attorney General, State of Nevada

On 4/7/17  
(Date)

On March 29, 2017  
(Date)

# **ATTACHMENT A**

**POLICIES AND PROCEDURES**  
**FOR THE MANAGEMENT, SALE AND TRANSFER**  
**OF COVERAGE OWNED BY**  
**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**

**I. AUTHORITY**

The authority for the Nevada Land Bank to administer the sale and transfer of coverage for Incline Village General Improvement District's Surplus Potential Land Coverage Program is provided for in:

- Nevada Revised Statutes 277.180, 321.5953, 321.5954 and 321.5956.
- The Interlocal Contract between the Nevada Division of State Lands ("NDSL") and Incline Village General Improvement District ("IVGID") dated June 14, 2007, amended for time January 27, 2011; new Interlocal Contract ("Contract") began April 1, 2013 through March 31, 2017. A new proposed Interlocal Contract ("Contract") set to begin April 1, 2017.
- The Memorandum of Understanding between the Tahoe Regional Planning Agency the Nevada Division of State Lands dated July 10, 2000.

**II. GOAL AND PROGRAM OVERVIEW**

IVGID owns a substantial amount of potential coverage on lands including, but not limited to, the Mountain and Championship Golf Courses. IVGID has surveyed both present and future requirements for coverage within their District and determined, by utilizing conservative assumptions, that they have a significant surplus of potential coverage. This "surplus coverage" is viewed by IVGID as a "non-performing asset". IVGID shall maintain a sufficient inventory of potential land coverage to meet all future needs of IVGID.

IVGID and NDSL have determined that there is a demand for coverage from both the public and private sectors of Incline Village and that, through a cooperative effort, a public benefit could be achieved by developing a fair and equitable program allowing for the disposal of this "surplus coverage". The Board of Trustees of IVGID desire to put this coverage into beneficial use for the residents and property owners of Incline Village and for public service projects necessary to serve those residents and property owners.

NDSL desires to administer the sale and transfer of coverage for IVGID based upon NDSL's ability and expertise to do so within the Nevada Land Bank. This cooperative effort will, in part, assist in the implementation of the Environmental Improvement Program and in accomplishing Regional Plan objectives of the Tahoe Regional Planning Agency.

THEREFORE, IVGID and NDSL shall jointly develop a program ("Program") to allow the sale and transfer of IVGID's "non-performing asset" of potential coverage as provided for in the

Tahoe Regional Planning Agency's Code of Ordinances. As set forth in the Contract, NDSL may, in its sole discretion, supply half of the total coverage to be sold in any transaction, from coverage owned by NDSL. The following policies and procedures have been cooperatively developed by the IVGID Board of Trustees and NDSL (“the Parties”). Changes or modifications may be made at any time, subject to written approval by both IVGID and NDSL.

### **III. POLICIES**

1. The Parties agree that transfers of potential coverage derived from IVGID properties and, where applicable, NDSL coverage must be in accordance with Chapter 30 of the TRPA Code of Ordinances and all applicable laws.
2. The Parties agree to seek fair market value for the public asset.
3. The Parties agree to preclude speculation by preventing IVGID’s potential coverage from feeding a “secondary” market. The Program will not compete unfairly with the private market.
4. The parties agree to assure a fair and equitable process whereby public and private needs can be met.
5. The IVGID Board of Trustees is the sole arbiter and policy maker for IVGID’s Surplus Potential Land Coverage Program.
6. NDSL shall be the sole arbiter and policy maker for the Nevada Land Bank.
7. IVGID will refer all inquiries regarding the purchase of potential land coverage to NDSL.
8. NDSL shall handle all inquiries and sales regarding IVGID’S potential coverage per the procedures outlined below.
9. The Parties agree that the potential coverage shall be made available only for projects within Hydrologic Zone One-Incline Village.
10. The Parties agree to meet on a regular basis to discuss issues regarding the Program.
11. Either IVGID or NDSL shall have the right to cancel the Program, at their sole discretion. Any amendments or modifications are subject to written approval by both IVGID and NDSL.
12. For transactions involving a Class of coverage outside of the coverage inventory maintained by IVGID, NDSL reserves the right to supply the full amount for the transfer. This would apply to Class 1b restored, Class 1b potential and Class 6 restored. In these situations only NDSL would not collect any management fees from IVGID. NDSL would communicate this sale information to IVGID and the sale would be reported to IVGID as part of the written, year-end fiscal reporting requirements by



NDSL. Should IVGID obtain these classes of coverage and make them available for transfer, NDSL would manage the coverage sale transaction in the normal manner with each entity supplying half of the coverage needed. A management fee would apply in these cases.

13. For transactions involving Class 6 coverage, NDSL reserves the right to transfer its Class 6 restored soft or Class 6 potential coverage to satisfy its portion of the transfer.
  - a. For example, if the transfer involves 1,200 square feet of Class 6 coverage, IVGID would supply 600 square feet of its Class 6 potential coverage and NDSL could supply 600 square feet of its restored coverage. This example would only apply to the extent of the availability of the Class 6 restored coverage.

#### **IV. PROCEDURES**

##### **A. PLANNING**

1. The IVGID Board of Trustees shall periodically establish a maximum limit of surplus potential coverage for disposal and assure that a sufficient amount is held for all needs of IVGID, now and in the future. The Board may establish maximum annual quotas of the sale of coverage on an annual or other basis.
2. The IVGID Board of Trustees and NDSL will evaluate the program at least annually and make amendments or modifications as deemed appropriate.
3. NDSL may meet at least quarterly with representatives of IVGID to set goals/objectives for the following quarter. Items to be discussed may include the amount, type and price of the coverage to be offered for sale and IVGID'S priorities for projects/buyers.

##### **B. REPORTING**

1. NDSL may meet at least quarterly with representatives of IVGID to report on the previous quarter's activities. Items for discussion may include completed and on going transactions. NDSL will also provide quarterly reports to IVGID outlining the details of any closed or pending transactions that occurred during the last quarter.
2. NDSL will provide IVGID a written fiscal year-end report, no later than September 30<sup>th</sup> of each year, summarizing the past years activities.
3. IVGID will be provided notice regarding the close of escrow of each sale.
4. NDSL will provide data, summaries, or periodic reports as may be reasonably requested by IVGID.

##### **C. MANAGEMENT FEE**

IVGID shall pay NDSL a fee for the administration, sale and transfer of their coverage. The

fee paid to NDSL shall equal One Dollar (\$1.00) for each square foot of coverage transferred by NDSL. NDSL shall be paid their fee through escrow from IVGID's proceeds at the close of escrow. As set forth in the Contract, NDSL shall be entitled to said fee as to the total coverage sold and transferred in any and all transactions wherein NDSL has supplied half of the coverage.

D. SALES/TRANSFERS OF COVERAGE

1. Pricing of Coverage – Most documents regarding the sale and transfer of coverage shall be signed by a designated NDSL representative. The selling price of the potential coverage shall be established by IVGID as follows:
  - a. For transactions or projects involving coverage amounts of 4,999 square feet or less, the selling price may be set by IVGID based on appraisals done by an independent, licensed, professional appraiser. IVGID may obtain appraisals at least annually and more often, in its discretion. The selling price may also be determined by discussions between NDSL and IVGID based on current fair market pricing and demand.
  - b. Transactions or projects involving coverage amounts of 5,000 square feet or more shall be contingent on approval of the IVGID Board of Trustees. The selling price shall be established by IVGID either based upon an appraisal as set forth in D.1.a. above or as otherwise determined by IVGID. The appraiser shall be hired by IVGID. The cost of an appraisal for a specific transaction shall be paid by IVGID; however, IVGID shall be reimbursed for costs associated with the appraisal by the buyer at close of escrow. A copy of the appraisal shall be provided to NDSL.
2. Application for the Purchase and Transfer of Coverage - Applications for the purchase of coverage will be accepted only for a specific project as defined in Chapter 30.4.4 – Method of Transferring Land Coverage, of the TRPA Code of Ordinances.
  - a. Application Process - Applications for the purchase of coverage are to be taken on a “first-come, first served” basis, with the amount of coverage to be purchased limited to no more than what is actually required for a specific project.

Each applicant for purchase of coverage shall obtain from NDSL an “Application for the Purchase and Transfer of Land Coverage” (See Forms, Exhibit “A”). *The applicant shall be required to certify that they made reasonable efforts to locate and purchase their required coverage from another source and that their needs could not be met within the private market.* NDSL and IVGID may maintain a list of other known sources of coverage to be made available to the public.

The application may be signed by the owner of the “Receiving Parcel” or the owner's representative/agent, however the application must provide proper identification of both. The application is to be completed by applicant and returned to NDSL along with a \$250.00 application fee made payable to “Nevada Division of State Lands”, along with the documents required in the application, which are:

- 1) Proof of ownership (of the receiving parcel); and
- 2) If an agent is acting on behalf of the owner, a letter of authorization from the owner;
- 3) A copy of the site plan, showing coverage calculations, IPES score or land capability districts;
- 4) Either a copy of the conditional project permit as issued by the governing agency (TRPA or Washoe County Building Department) or a copy of the application for a permit along with a letter from the governing agency stating the application is complete.

NDSL shall, within fifteen (15) working days after receipt, review the application to reasonably ensure it meets all IVGID criteria and TRPA regulations and either accept (see D. 2. b. below) or reject (see D. 2. d. below) the application for processing, or provide a letter of future intent (See D. 2. e. below).

In the event a proposed transaction for the purchase of coverage conflicts with these Policies and Procedures or is deemed inconsistent with state policies by the Administrator of the Nevada Division of State Lands, representatives of IVGID and NDSL shall meet in an effort to resolve the of conflict. In the event resolution of the conflict cannot be agreed to, NDSL may in its discretion withdraw from involvement in said transaction. NDSL's withdrawal from any single transaction shall not invalidate or change any provision of this agreement as to all other transactions wherein NDSL participates.

- b. Application Approved for Processing - In the event the application is complete, including either a copy of the conditional project permit or a copy of the application for a permit along with a letter issued by the governing agency stating the application is complete [See D. 2. a. 4) above], NDSL shall notify the applicant with an "Acknowledgement Letter", (for a copy, see Forms, Exhibit "B") and for additional info on the Acknowledgement Letter, see below. At this point the \$250.00 application fee becomes non-refundable and is not applicable to the purchase price. This application fee shall be retained by NDSL for staff time and effort involved in processing the application and associated paperwork.
- c. Acknowledgement Letter - The initial Acknowledgement Letter is drafted based upon the square footage as indicated by the applicant. In the event the square footage changes due to TRPA or Washoe County recalculations, evidence of this change shall be submitted to this office and an amended Acknowledgement Letter will be sent out to the applicant.
- d. Application Rejected for Processing - In the event the application is rejected for Processing a "Rejection Letter" (See Forms, Exhibit "C"), will be sent to the applicant, along with the application fee, stating the reason(s) for rejection, minus 10% for processing.

- e. “Sale Pending Letter” - In the event the Application for the Purchase and Transfer of Coverage is otherwise complete but does not contain either a copy of the conditional project permit or a copy of the application for a permit along with a letter issued by the governing agency stating the application is complete [See D. 2. a. 4) above], the application will be deferred and sale pending letter may be issued (See Forms, Exhibit “D”). In order for a sale pending letter to be issued, the buyer must own the “receiving parcel” or be under contract to purchase the “receiving parcel” and provide NDSL with the items outlined in D. 2. a 1) 2) and 3) above.

The sale pending letter will identify the buyer, the site of the proposed project, a reasonable “not to exceed” amount of coverage (square footage), the land classification of the coverage to be purchased and the unit price per square foot of the coverage. The sale pending letter will include a statement providing for expiration one year from the date of issuance. A one year extension of the sale pending letter may be made available for a non-refundable fee of \$100.00 and at the then current selling price for the coverage involved. The \$100.00 fee shall not be applicable to the coverage purchase price. If an appraisal is required in determining the new price, the buyer shall reimburse IVGID per paragraph IV. D. 1. b, above. The sale pending letter will be prepared, signed and sent to the buyer by an authorized NDSL representative.

The sale pending letter does not constitute a binding contract or commitment, but is intended to show good faith of the parties and a desire to accommodate the applicant at the point in time the applicant has filed for a project permit. The intent being that priority shall be given to those applicants who have completed project plans and have either filed for a permit or has received a conditional permit from the governing agency.

3. Purchase Agreement - Within fifteen (15) business days of the date of the “Acknowledgement Letter” a “Purchase Agreement” (See Forms, Exhibit “E”) will be prepared based on, but not limited to, the following:
- a. The purchase agreement will require a minimum down payment of 10% of the total purchase price with the balance due and payable in cash prior to close of escrow.
  - b. IVGID and NDSL shall have the right to repurchase at the same price any coverage that remains unused two and one-half (2 1/2) years following conditional approval of the project permit by the governing agency (TRPA or Washoe County).
  - c. NDSL will open and oversee an escrow to conclude the transaction. Neither IVGID or NDSL will be subject to escrow costs.
  - d. All coverage is restricted to use on the project property and may not be assigned or transferred to any other property.
  - e. Escrow shall close within one hundred twenty (120) days after opening.

- f. IVGID or NDSL, acting on behalf of IVGID, may cancel the transaction if approvals of the sale and transfer of the coverage is not obtained.
  - g. The approval and transaction shall be cancelled if the Purchase Agreement is not executed and returned to NDSL within fifteen (15) business days after presentation.
4. Escrow - Upon NDSL's receipt of the executed purchase agreement and deposit an escrow shall be opened by NDSL at the title/escrow company that NDSL is under contract with at the time escrow is to be opened. Presently, NDSL is under contract with First American Title Company of Nevada located at 1663 Hwy 395 #101 Minden, Nevada 89423.
- a. Escrow's responsibilities shall include, but not be limited to, collection and disbursement of funds, ensure proper procedures required by the purchase agreement, send to NDSL for approval the estimated settlement statements of both buyer and seller, upon written authorization from NDSL shall close escrow and send notification of such to NDSL and ensure proper recordation of documents. NDSL shall in turn send written notification of the escrow closing to IVGID and the governing agency that issued the permit (TRPA or Washoe County).
  - b. NDSL shall send a land coverage transfer "Documentation Letter" (See Forms, Exhibit "F") to the agency having jurisdiction over the project, to confirm the applicable governing agency permit number, verify the receiving parcel, and that the coverage being sold and transferred will:
    - 1) meet all applicable requirements of Chapter 30 of the TRPA Code of Ordinances; and
    - 2) that the coverage will fulfill, in whole or in part, the coverage requirements of the permit.
    - 3) If the coverage being transferred is potential coverage associated with property owned by IVGID, NDSL shall prepare and have executed, a "Deed Restriction" (See Forms, Exhibit "G") to be recorded against IVGID's parcel(s).
  - c. NDSL shall prepare and have executed by all owners of the receiving parcel (per the Lot Book Guarantee or other document provided by the Title Company) a "Notice of Transfer, Option to Repurchase and Restrictions on Assignment of Coverage" (See Forms, Exhibit "H") to be recorded against the receiving parcel. The original copy of the "Notice of Transfer, Option to Repurchase and Restrictions on Assignment of Coverage" shall be deposited into escrow.
  - d. All escrow costs regarding the purchase and transfer of coverage are to be paid by the buyer. These costs include, but are not limited to, title, escrow and recording costs

and fees. Additionally, the buyer shall be responsible for any fees and costs required by any governing agency such as the TRPA and federal, state or county agencies.

e. Prior to close of escrow:

- 1) Escrow shall have received all required funds.
- 2) Escrow shall have received the executed Documentation Letter from the agency having jurisdiction over the project verifying the information in D.4. b., above.
- 3) NDSL or IVGID shall have deposited into escrow the executed "Deed Restriction" (see Item IV. D. 4. c. above) to be recorded against IVGID's parcel(s).
- 4) NDSL shall have deposited into escrow, the executed, original "Notice of Transfer, Option to Repurchase and Restrictions on Assignment of Coverage" (see Item IV. D. 4. d. above) to be recorded against the receiving parcel.
- 5) NDSL shall review and approve the escrow Settlement Statements for both Sellers and have they Buyer review and sign their copy.

f. At close of escrow, Escrow Holder shall:

- 1) Disburse to NDSL their management fee due. These proceeds may be transferred via electronic wire transfer.
- 2) Disburse to IVGID proceeds due. These proceeds may be transferred via electronic wire transfer.
- 3) Disburse funds to any other entity as required by the purchase agreement/escrow instructions.
- 4) Record all pertinent documents.
- 5) Notify NDSL, in writing, that all pertinent documents have been recorded, proceeds have been disbursed and escrow has closed.

h. NDSL shall prepare and mail the escrow "Closing Letter" (See Forms, Exhibit "I"), informing the TRPA/Washoe County and IVGID that all documents have been recorded, funds disbursed and escrow closed.

## E. TRACKING

1. NDSL shall prepare and maintain "Tracking Reports" (See Forms,

Exhibit “J”), showing pending and completed transactions for the potential coverage to provide IVGID with information regarding the Program status.

# EXHIBIT "A"



**NEVADA LAND BANK**  
**Nevada Division of State Lands**  
**Nevada Tahoe Resource Team**  
**901 South Stewart Street, Suite 5003**  
**Carson City, Nevada 89701**  
**(775) 684-2720**

Application No. \_\_\_\_\_

**APPLICATION FOR PURCHASE AND TRANSFER**  
**OF LAND COVERAGE**

Please complete this application and either mail or deliver it to the address listed above. Applicant must complete a separate Application for each Assessor's Parcel Number to which you wish to transfer coverage.

This application must be submitted along with proper documentation and an application fee. The application fees are as follows:

For coverage transactions taking place in Hydrozone 1, Incline Village - **\$250.00 application fee**

For coverage transactions taking place in Hydrozones 2, 3, 4 and 9 - **\$100.00 application fee**  
(Agate Bay, Marlette, Cave Rock and South Stateline Hydrozones)

Please make the check payable to "Nevada Division of State Lands".

In the event you have any questions please contact Elyse Randles, State Land Agent for the Division of State Lands at (775) 684-2735.

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Hydrologic Zone: \_\_\_\_\_

This application is for the purchase of \_\_\_\_\_ square feet of Class \_\_\_\_\_,

Potential or Restored Coverage (circle one)

Proposed Date of Sale: \_\_\_\_\_

Receiving Site APN: \_\_\_\_\_

*Applicant/Agent hereby certifies that applicant, or agent on behalf of applicant, has made a reasonable effort to locate and purchase the required coverage at competitive market rates within the private market and has been unsuccessful in said search.*

---

Applicant/Agent

---

Date

IVGID Coverage Application

Revised October 2012

**1. Project Identification**

Please identify the property to which you would be applying the coverage.

Address: \_\_\_\_\_  
Lot No.: \_\_\_\_\_  
Subdivision: \_\_\_\_\_  
County: \_\_\_\_\_  
APN: \_\_\_\_\_

If you have filed for a building permit with the Tahoe Regional Planning Agency or Washoe County, please fill-in the following information:

Agency (applied to for permit): \_\_\_\_\_

Permit or Application No: \_\_\_\_\_

Name of Applicant: \_\_\_\_\_

**2. Eligibility Criteria**

Do you have current project plans to develop the above property, requiring a transfer of coverage?

YES / NO (circle one)

Do you intend to obtain a TRPA or Washoe County building permit for the project within the next 12 months?

YES / NO (circle one)

If neither of the above situations applies, please explain why below:

\_\_\_\_\_  
\_\_\_\_\_

**3. Coverage Needs of Project (contact the TRPA if you do not have this information)**

Bailey Classification (if applicable): \_\_\_\_\_

IPES Score (if any): \_\_\_\_\_

Total area of property: \_\_\_\_\_

Allowable Base Coverage: \_\_\_\_\_

Allowable Coverage with Transfer: \_\_\_\_\_

Existing Coverage: \_\_\_\_\_

Amount of coverage proposed to be transferred on to site: \_\_\_\_\_  
(Off-site coverage can be mitigated by means other than coverage transfer)

Have you obtained or contracted for transfer of coverage from any other source?

YES / NO (circle one)

If so, how much? \_\_\_\_\_

#### 4. Applicant Identification

The following information should be supplied for the person who will be purchasing coverage on behalf of the above project.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: Office: \_\_\_\_\_ Cell: \_\_\_\_\_

Email: \_\_\_\_\_

Please describe the relationship of Applicant to the subject project (check all that apply).

- Applicant is: \_\_\_\_\_ the owner of the property.  
\_\_\_\_\_ agent or attorney-in-fact for property owner.  
\_\_\_\_\_ under contract to purchase the property.  
\_\_\_\_\_ agent or attorney-in-fact for party with contract to purchase the property.

Other: \_\_\_\_\_  
\_\_\_\_\_

#### 5. Documentation

This application must be returned with the following documents/materials to assist us in our review:

IVGID Coverage Application  
Revised October 2012

- a. \_\_\_\_\_ Proof of ownership (Copy of Grant Deed).
- b. \_\_\_\_\_ If an agent is acting on behalf of the owner, a letter of authorization from the owner.
- c. \_\_\_\_\_ Copy of the Project Site Plan showing the coverage calculations and IPES score or land capability districts.
- d. \_\_\_\_\_ Copy of the TRPA or Washoe County conditional project permit or a copy of the permit application, along with a letter from the governing agency stating the application is complete; or a copy of the permit application along with evidence of filing, e.g. receipt, showing the amount of coverage to be transferred. In this case a will-serve letter may be issued.

In the event these documents are not available at the time of filing this application, the application will be rejected. In the event the applicant has submitted 5.a., b., and c., however did not submit 5. d., applicant may be placed on the "Will-Serve Letter Waiting List". A purchase agreement cannot be prepared until NDSL has received items 5. a., b., c. and d. above.

**6. Application Fee**

This application must be submitted, in addition to the items listed in Item #5 above, along with a check in the amount of \$250.00, made payable to Nevada Division of State Lands. In the event this application is not approved for processing, the application fee will be returned to applicant. In the event this application is approved for processing, the \$250.00 fee will become non-refundable for any reason, including whether or not a coverage transfer actually takes place. This fee is not applicable to the purchase price of the coverage or any other fees or costs.

Applicant's Initials \_\_\_\_\_

I understand that the amount of coverage which I propose to purchase is subject to the review and approval of the Nevada Land Bank and/or the Incline Village General Improvement District. I further understand that I will not be able to purchase more than the amount of coverage which is required for the above project and which can be transferred onto the subject property.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

# EXHIBIT "B"

BRADLEY CROWELL  
*Director*

Department of Conservation  
and Natural Resources

CHARLES C. DONOHUE  
*Administrator*

BRIAN SANDOVAL  
*Governor*



State Land Office  
State Land Use Planning Agency  
Nevada Tahoe Resource Team  
Conservation Bond Program -Q1

*Address Reply to*

Division of State Lands  
901 S. Stewart St. Suite 5003  
Carson City, Nevada 89701-5246  
Phone (775) 684-2720  
Fax (775) 684-2721  
Web [www.lands.nv.gov](http://www.lands.nv.gov)

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

## Division of State Lands

### ACKNOWLEDGEMENT LETTER

\_\_\_\_\_, 20\_\_

Mr. John Doe  
423 Mystery Street  
Incline Village, Nevada 89451

Re: Nevada Division of State Lands Application No. \_\_\_\_\_  
Receiving Site APN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
TRPA or Washoe County Permit # \_\_\_\_\_

Dear Mr. Doe:

This letter is to notify you that your Application for purchase of land coverage has been reviewed and accepted for processing.

According to your Application, you are requesting to purchase \_\_\_\_\_ square feet of land coverage classified by the Tahoe Regional Planning Agency ("TRPA") as land capability \_\_\_\_\_, for your project located at \_\_\_\_\_. The purchase price will be \$\_\_\_\_\_ per square foot, for a total purchase price of \$\_\_\_\_\_.

You will also be responsible for any fees and costs involved in the proposed sale and transfer of the coverage, including but not limited to, title, escrow, recording fees and any TRPA fees, taxes and legal fees incurred by you. As a reminder, your application fee is not applicable to the purchase price or any costs involved with the sale of the coverage and is non-refundable.

Should you have any questions, please contact Brenda Swart at the Nevada Division of State Lands at (775) 684-2735.

Sincerely,

Brenda Swart  
State Land Agent II  
Nevada Tahoe Resource Team  
[bswart@lands.nv.gov](mailto:bswart@lands.nv.gov)

# EXHIBIT "C"

Bradley Crowell  
Director

Department of Conservation  
and Natural Resources

Charles C. Donohue  
Administrator

BRIAN SANDOVAL  
Governor



State Land Office  
State Land Use Planning Agency  
Nevada Tahoe Resource Team  
Conservation Bond Program -Q1

*Address Reply to*

Division of State Lands  
901 S. Stewart St. Suite 5003  
Carson City, Nevada 89701-5246  
Phone (775) 684-2720  
Fax (775) 684-2721  
Web www.lands.nv.gov

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

## Division of State Lands

### REJECTION LETTER

\_\_\_\_\_, 20\_\_

Mr. John Doe  
423 Mystery Street  
Incline Village, Nevada 89451

Re: Nevada Division of State Lands Application No. \_\_\_\_\_  
Receiving Site APN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
TRPA or Washoe County Permit # \_\_\_\_\_

Dear Mr. Doe:

This letter is to notify you that your Application for purchase of land coverage has been reviewed and rejected for the following reasons:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please find enclosed a check for the application fee in the amount of \$\_\_\_\_\_. In the event you have any questions please contact Elyse Randles, Nevada Division of State Lands, at (775) 684-2735.

Sincerely,

Brenda Swart  
State Land Agent II  
Nevada Tahoe Resource Team  
bswart@lands.nv.gov



# EXHIBIT "D"

BRADLEY CROWELL  
*Director*

Department of Conservation  
and Natural Resources

CHARLES C. DONOHUE  
*Administrator*

BRIAN SANDOVAL  
*Governor*



State Land Office  
State Land Use Planning Agency  
Nevada Tahoe Resource Team  
Conservation Bond Program -Q1

*Address Reply to*

Division of State Lands  
901 S. Stewart St. Suite 5003  
Carson City, Nevada 89701-5246  
Phone (775) 684-2720  
Fax (775) 684-2721  
Web www.lands.nv.gov

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

## Division of State Lands

### SALE-PENDING LETTER

\_\_\_\_\_, 20\_\_

Mr. John Doe  
423 Mystery Street  
Incline Village, Nevada 89451

Re: Nevada Division of State Lands Application No. \_\_\_\_\_  
Receiving Site APN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
TRPA Permit # \_\_\_\_\_

Dear Mr. Doe:

Due to the fact that you are unable to provide this office with either a copy of the conditional project permit or a copy of the application for a permit along with a letter issued by the governing agency stating your application is complete, we cannot at this time enter into a formal purchase agreement to sell to you the required coverage for your project. However, the Nevada Land Bank is willing to issue a sale-pending letter for your project.

This is not a commitment or binding contract for the sale of coverage. It is a letter to show good faith and our intent to enter into a purchase agreement to sell you coverage when you have provided this office with the required information. Our ability to enter into a purchase agreement at a future date is contingent upon the availability of coverage at that time.

\_\_\_\_\_  
**This sale pending letter shall expire at 5:00 p.m., one year from the date of this letter.**

Applicant/Buyer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Project Site: \_\_\_\_\_  
Address: \_\_\_\_\_

Lot No.

Subdivision:

County:

APN:

# EXHIBIT "E"

# PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

Date: February 13, 2019

To: Stewart Title Company  
10539 Professional Circle, Suite 102  
Reno, Nevada 89521

Re: Escrow No. 5115041662  
Buyer: NV Energy  
Sellers: Nevada Division of State Lands (“NDSL”)  
Incline Village General Improvement District (“IVGID”)

You are hereby instructed and authorized to act as Escrow Holder herein, and the undersigned parties hereby agree as follows:

## 1. GENERAL PROVISIONS

In consideration of your acting as Escrow Holder herein, it is agreed that you shall in no case or event be liable for the failure of any of the conditions of this escrow or damage caused by the exercise of your discretion in any particular manner, or for any other reason, except negligence or willful misconduct with reference to the said escrow, and you shall not be liable or responsible for your failure to ascertain the terms or conditions, or to comply with any of the provisions of, any agreement, contract or other document filed herewith or referred to herein, nor shall you be liable or responsible for forgeries or false impersonation.

As Escrow Holder you need not be concerned with any matters agreed upon or arising outside of these joint escrow instructions. If any controversy arises between the parties hereto or with any third person, with respect to the subject matter of this escrow, its terms or conditions, you shall not be required to determine the same or take any action in the premises, but you may await the settlement of any such controversy by final appropriate legal proceeding.

## 2. DEFINITION OF SALE

Through this escrow, Buyer is paying Sellers to perform and complete those actions necessary in order to credit certain real property dedicated to the Buyer, identified as \_\_\_\_\_ County Assessor Parcel 540-301-00, and described in Exhibit "A" (the "Receiving Parcel"), with certain land coverage recognized by the Tahoe Regional Planning Agency ("TRPA") as meeting, in whole or in part, the coverage requirements of TRPA # \_\_\_, (hereinafter "the Permit") for development on the Receiving Parcel and specifically described as follows: 16 square feet of Class 4, potential coverage, (hereinafter the "Coverage"). When credited to the Receiving Parcel, the Coverage shall be used solely as described below, and subject to all of the terms and understandings set forth herein.

The Coverage being purchased and transferred under this Agreement shall provide the Buyer the additional coverage required as one of the conditions for TRPA permit ERSP2019-0350 to authorize the replacement of existing NV energy infrastructure in Incline Village.

Buyer acknowledges that the TRPA needs to authorize the transfer of this Coverage in order to meet the Coverage requirements for this project. If for any reason the TRPA does not authorize the transfer of additional Coverage, this agreement will be cancelled and the Sellers will not be obligated to provide Coverage for this project. In this event, Buyer shall have no remedy to enforce the completion of the purchase of the Coverage or to receive damages of any kind.

Buyer's Initials \_\_\_\_\_



**Buyer is not obtaining from Seller any interest in real property in this transaction.**

### 3. PURCHASE PRICE

A. The Purchase Price for the Coverage is \$27.00 per square foot for the Class 4, potential land coverage for a total purchase price of \$432.00 to be paid by Buyer through escrow.

1) Buyer deposits herewith a cashiers' check or money order made payable to "Stewart Title Company" in the amount of \$ \_\_\_\_\_. This amount represents payment of Ten Percent (10%) of the total purchase price. A balance of \$ \_\_\_\_\_ is to be paid by Buyer in cash at close of escrow.

**Buyer may also choose to submit the entire purchase price, including the fees described below in Paragraph 5.B, upon execution of this document.**

### 4. ESCROW

A. Escrow No. ? has been established for this transaction at Stewart Title Company, 10539 Professional Circle, Reno Nevada 89521. Escrow Holder is hereby authorized and instructed to act in accordance with the provisions of this Agreement; provided, however, the parties shall execute such additional instructions as required by the Escrow Holder containing the Escrow Holder's general provisions that are not inconsistent with the provisions hereof.

B. Escrow Opening Date is the date of the last signature to this Agreement.

C. Both Buyer and Sellers shall deposit all necessary funds and documents into escrow from time to time as required and shall make and execute any further escrow instructions or documents necessary to carry out the terms and conditions of this Agreement.

### 5. CLOSING COSTS; FEES

A. Buyer shall bear any fees and costs incurred by Buyer in anticipation of the sale of the Coverage in this transaction.

- B. Buyer shall pay all title, escrow fee and recording fees in this transaction.
- C. In the event there are any **TRPA** fees, taxes or legal fees on behalf of Buyer in connection with this transaction, such costs shall be solely the responsibility of Buyer.
- D. Any costs or fees to be paid by Sellers may be deducted from Seller's proceeds at close of escrow.

## 6. COMMISSIONS

- A. Buyer shall indemnify, defend, and hold Sellers, and the State of Nevada, their officers, employees and agents harmless from loss, cost or expense, including but not limited to, attorney fees and court costs, resulting from any fee or commission claim by a broker or finder claiming through Buyer.

## 7. MANAGEMENT FEE

Per the contract between NDSL and IVGID, NDSL shall be paid at the close of escrow, a Management Fee equal to **One Dollar (\$1.00) per square foot** for the administration, sale and transfer of the total coverage involved in this transaction regardless of whether NDSL has supplied ½ of the total coverage to be sold and transferred per the Contract. **The Fee is not an additional cost to the Buyer.** The Fee shall be paid through escrow, from proceeds by Escrow Holder's bank check made payable to the "Nevada Division of State Lands", with the check bearing notations of "Coverage Sale 5115041662". The funds may also be disbursed electronically. The check shall be sent to the following address, or such other address as NDSL may hereafter designate:

Nevada Land Bank  
Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

## 8. CLOSE OF ESCROW

- A. Notwithstanding any other provision herein, escrow shall in no event close later than 120 days from the opening of escrow (the "Scheduled Closing Date"), unless escrow has been extended by written agreement of the parties (see section 9).
- B. Buyer shall be responsible for carrying out all actions necessary to satisfy the requirements and conditions of the Permit, other than the transfer of the Coverage as provided under this Agreement.
- C. In the event the final project plans approved by the **TRPA** do not require the transfer of coverage to the Receiving Parcel in an amount as large as the Coverage specified in 2 above, Buyer and Sellers shall execute an amendment to this Purchase Agreement, adjusting the amount of the Coverage to be provided to Buyer and pro-rating the Purchase Price.
- D. As Escrow Holder, you may close escrow when:
  - 1) Buyer has deposited into escrow the full amount of the Purchase Price and any additional closing costs required from Buyer and any other funds due by Buyer under this Agreement.
  - 2) Buyer has deposited into escrow an executed and acknowledged "Notice of Transfer, Option to Repurchase, and Restrictions on Assignment of Coverage; and
  - 3) The "Documentation Letter" has been deposited into escrow (hereinafter called "the Documentation"), signed by a representative of the **TRPA**, confirming that:
    - a) The Nevada Land Bank's transfer of the Coverage meets all applicable requirements of Chapter 30 of the TRPA Code of Ordinances; and
    - b) Effective upon close of escrow the Coverage has been transferred to the Receiving Parcel to satisfy, in whole or in part, the transfer of coverage condition in the Permit.
  - 4) Sellers have deposited into escrow the executed and acknowledged Deed Restriction titled "Declaration of Covenants, Conditions and Restrictions for Coverage Assignment".



5) The Buyer and Sellers have received and approved copies of the Settlement Statements.

6) The Sellers have authorized escrow holder, in writing, to proceed to close escrow.

F. At close of escrow, Escrow Holder shall:

1) Record the "Notice of Transfer, Option to Repurchase, and Restrictions on Assignment of Coverage" in the Washoe County official records; and

2) Record the Deed Restriction titled "Declaration of Covenants, Conditions and Restrictions for Coverage Assignment" in the Washoe County official records; and

3) Pay fees and costs to be paid by Buyer.

4) Pay any fees and costs to be paid by Sellers.

5) Disburse to Sellers the proceeds due, including any amounts paid by Buyer for extension of the escrow; and

6) Release the appropriate Documentation to Buyer.

7) Give written notice and a copy of the Documentation to the Sellers that all documents have been recorded and escrow has closed.

## **9. EXTENSION OR CANCELLATION OF ESCROW**

A. This Agreement is subject to and contingent upon Seller's right to cancel this escrow if at any time prior to the close of escrow, in Seller's reasonable judgment, circumstances arise or events occur that effectively impair Seller's legal ability to perform under the escrow and generate the Coverage. In this event Buyer shall have no remedy to enforce the completion of the purchase of the Coverage or to receive damages of any kind.

B. If Sellers exercise their cancellation right, Buyer agrees to sign escrow cancellation instructions within ten (10) days of receipt of same.

C. Buyer may extend the close of escrow past the Scheduled Closing Date for sixty (60) days at a time by depositing with the Escrow Holder a sum equal to two percent (2%) of the Purchase Price or \$100.00, whichever is greater, for each extension; however, in no event shall escrow be held open for more than one (1) year. Amounts paid for extension of the escrow are non-refundable and will not be credited toward the Purchase Price.

D. If, owing to Seller's failure or inability to perform, escrow does not close by the Scheduled Closing Date, or such later closing date as may be mutually agreed between the parties, Buyer shall have the choice of:

- 1) Cancelling escrow and receiving disbursement of all sums deposited in escrow by Buyer; or
- 2) Continuing the escrow in effect.

Nothing in this Paragraph shall detract from any other legal remedies which Buyer may have in the event of Seller's breach.

E. If, owing to Buyer's failure or inability to perform, escrow does not close by the Scheduled Closing Date, upon request from Sellers, Escrow Holder shall cancel escrow and disburse to Seller the Initial Deposit and any subsequent deposits made by Buyer for the purpose of extending escrow.

Buyer's Initials \_\_\_\_\_

F. In the event that escrow is cancelled, any escrow cancellation fee shall be borne by the party whose failure or inability to perform was the cause or reason for the cancellation.

#### **10. SELLER'S OPTION TO REPURCHASE UNUSED COVERAGE**

A. In the event that Buyer fails to commence construction under the Permit within two and one-half years following conditional approval of the Permit by the TRPA or the resulting project does not require the full amount of Coverage being sold through this escrow, the Sellers shall have the exclusive option to repurchase the unused Coverage from Buyer, at the original Purchase Price, pro-rated if necessary, less any closing costs born by Sellers in the sale and repurchase of the Coverage. The term of Seller's option shall be for 180 days following the

expiration of said two and one-half year period (hereinafter, the "Option Term"). Exercise of the option shall be by written notice from Sellers to Buyer, and shall be subject to a 30 day close of escrow.

- B. Buyer agrees that, if it fails to utilize all of the Coverage on the Receiving Parcel(s) within the two and one-half year period, Buyer shall give Sellers written notice of same within 30 days after the expiration of the two and one-half year period. Buyer will not transfer the remaining Coverage away from the Receiving Parcel unless and until Buyer has received written notice from Sellers, which Sellers shall give within the 180 day "Option Term", that Sellers do not desire to exercise its Option to Repurchase Unused Coverage.
- C. Buyer further agrees that, following close of escrow, a signature on behalf of the Sellers shall be required on all applications to the TRPA to transfer ground coverage away from the Receiving Parcel. This subparagraph C. shall not apply if at least three years have elapsed since the conditional approval of the Permit by the TRPA, and Sellers have not, within the Option Term, exercised its option to repurchase the Coverage.

## **11. SUCCESSORS AND ASSIGNS**

- A. Buyer shall not assign its rights and obligations under this Agreement except to a transferee of the Receiving Parcel in connection with a conveyance of said parcel; nor shall any other party succeed to Buyer's rights hereunder, who does not also succeed to Buyer's rights and interest in the Permit.
- B. Subject to 11. A. above, all rights and obligations arising under this Agreement shall bind and inure to the benefit of the assigns and successors in interest of the parties.

## **12. MUTUAL UNDERSTANDINGS AND ACKNOWLEDGEMENTS**

- A. Use of Coverage restricted to the Receiving Parcel.
  - 1) All Coverage sold through this escrow may be applied only toward satisfying the

Requirements and conditions of the Permit on the Receiving Parcel, except that prior to close of escrow, Buyer shall have the right to designate a substitute Receiving Parcel, provided:

- a. The Sellers are notified of Buyer's intent to designate the substitute Receiving Parcel no later than the Scheduled Closing Date; and
- b. As of close of escrow, the substitute Receiving Parcel is owned by the original Buyer in this transaction (i.e., not an assignee or successor in interest); and
- c. The transfer of the Coverage to the substitute Receiving Parcel, and the close of escrow, shall be subject to Sellers and the TRPA approval of a permit allowing said transfer; and
- d. The transfer of the Coverage to the substitute Receiving Parcel shall be subject to the land classification of the Coverage being compatible to the Receiving Parcel per TRPA Code of Ordinances.

B. Consideration.

- 1) Buyer understands and acknowledges that the Purchase Price being paid by Buyer is in consideration for Seller's agreement to restrict the development potential of property owned by Sellers and to eliminate ground coverage thereon; for the resulting diminution in value of Seller's property; and for costs incurred in transferring the Coverage to Buyer.

C. Seller's Disclaimer's.

- 1) The obligations of the Sellers in this transaction are limited to providing the Documentation to Buyer at close of escrow. Sellers do not guarantee the ability of Buyer to obtain any other development approvals from the TRPA.
- 2) Sellers make no representation:
  - a. That the amount of the Coverage will be sufficient to satisfy all of Buyer's coverage needs under the Permit; and

- b. That the Coverage can be applied or transferred to any real property other than the Receiving Parcel; and
- c. That, once the Coverage has been purchased by Buyer, the Coverage and/or the Receiving Parcel can be marketed or re-sold to any other party; and
- d. That the Coverage now has, or will in the future have, any value deriving from the possibility that they may be marketed or re-sold to any other party; and
- e. That no taxable event or property tax reassessment of the Receiving Parcel will result from the transfer of the Coverage.

D. Buyer's Representations and Acknowledgments.

- 1) Buyer represents to Sellers that Buyer is seeking the transfer of the Coverage for the purpose of development of the Receiving Parcel.
- 2) Buyer acknowledges that this transaction does not constitute the sale of a "security" under Federal or State law.
- 3) Buyer agrees to execute and acknowledge, at Seller's request, such amendments to this Agreement or other documents as may be necessary to comply with applicable law or TRPA Code of Ordinances, provided said amendments do not materially alter the financial terms of this agreement.

### 13. ENTIRE AGREEMENT

- A. This Agreement and the items incorporated herein contain all of the agreements between Buyer and Sellers with respect to the matters contained herein. No prior agreement, understanding or verbal statement made by any party are a part hereof. No provisions of this Agreement may be amended or modified in any manner whatsoever unless incorporated in writing and executed by both Buyer and Sellers.

**14. CHOICE OF LAWS**

A. This Agreement shall be governed by the laws of the State of Nevada, and any question arising hereunder shall be construed or determined according to such law.

**15. NOTICES**

A. All notices under this Agreement and Joint Escrow Instructions shall be either:

- 1) In writing and shall be sent by U.S. Mail, registered or certified, return receipt requested.  
The date of notice shall be deemed to be the first business day following mailing; or
- 2) Sent via email transmission.

B. The parties' addresses for purposes of notice are shown beneath the signature blocks below.

**Seller: INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**  
By Nevada Division of State Lands, it's Agent

By: \_\_\_\_\_  
Charles Donohue  
Administrator and State Land Registrar

Date: \_\_\_\_\_

Address: Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

**Seller: NEVADA DIVISION OF STATE LANDS**

By: \_\_\_\_\_  
Charles Donohue  
Administrator and State Land Registrar

Date: \_\_\_\_\_

Address: Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

**Buyer:**      **NAME(S)**

By: \_\_\_\_\_

LEE SIMPKINS  
Easement Holder

Date: \_\_\_\_\_

Address:      NV Energy  
6100 Neil Rd.  
Reno, NV 89511

# EXHIBIT "F"





## DOCUMENTATION LETTER

August 25, 2020

**Re: Land Coverage Transfer for TRPA Permit Application #ERSP2020-0439;  
Receiving APN 132-012-02**

The Nevada Division of State Lands, on behalf of itself and the Incline Village General Improvement District, ("IVGID") has entered into an agreement to sell **120 square feet of potential** land coverage ("the Coverage"), classified by the Tahoe Regional Planning Agency as land **capability 4**, to **Sierra Pacific Power dba NV Energy** ("Buyer"), for use in meeting the requirements of TRPA Permit Number **ERSP2020-0439** ("the Permit").

The **120 square feet** of Coverage will be divided such that the Incline Village General Improvement District ("IVGID") will be selling **60** square feet of Coverage and the Nevada Land Bank will be selling **60** square feet of Coverage. The IVGID Coverage being transferred to the project site, Washoe County APN 132-012-02 ("the Receiving Parcel"), is from the IVGID project area known as Washoe County Assessor Parcel Number's 131-240-02, 131-100-01 131-012-07 ("the Sending Parcels"). Coverage coming from the Nevada Land Bank was originally transferred into the Nevada Land Bank from Washoe County Assessor Parcel number 048-041-15 and when this parcel sold it was split into two new Parcel Numbers: 048-140-04 (USFS) and 048-140-03 (IVGID), as part of the Incline Lakes Corporation transaction. Both the Receiving and Sending Parcels are located within Hydrologic Zone 1, Incline Village.

**Escrow No. 890676** has been opened with Stewart Title Company, 10539 Professional Circle, Suite 102, Reno, Nevada, 89521 to consummate the sale of the Coverage. We are prepared, as of close of escrow, to **permanently retire 120 square feet of Class 4, potential coverage** on the Buyer's behalf, from the above referenced Sending Parcels.

Subsequent to your review of the project plans for the residential project on the above referenced Receiving Parcel, we ask that you confirm below that, upon close of escrow, the Nevada Land Bank's transfer of the Coverage to the above referenced Receiving Parcel will: 1) meet all applicable requirements of Chapter 30 of the TRPA Code of Ordinances; and 2) be deemed by the ***TRPA*** to fulfill, in whole or in part, the coverage requirements of the Permit.

Escrow is currently scheduled to close as soon as possible. Should any circumstances arise, prior to close of escrow, which would alter the amount of coverage which the Receiving Parcel is eligible to receive by transfer, please immediately contact me at (775) 684-2735.

Please confirm your approval below and return this letter to the address at the top of this letter. Thank you for your assistance.

Sincerely,



Sherri Barker  
State Land Agent II  
Nevada Tahoe Resource Team  
Nevada Land Bank  
sbarker@lands.nv.gov

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**APPROVED BY TAHOE REGIONAL PLANNING AGENCY**

By: \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Name and Title

# EXHIBIT "G"

APN'S 131-240-02, 131-100-01  
131-012-07,  
(Sending Parcels)

**RECORDING REQUESTED BY**

Incline Village General Improvement District  
893 Southwood Boulevard  
Incline Village, Nevada 89451

**WHEN RECORDED MAIL TO:**

Nevada Land Bank  
Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

Escrow No. \_\_\_\_\_  
Stewart Title Company, Reno, Nevada

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR COVERAGE ASSIGNMENT ("DEED RESTRICTION") TO BE  
RECORDED AGAINST APN 131-240-02, 131-100-01& 131-012-07**

This Deed Restriction is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by the  
Incline Village General Improvement District ("Declarant").

**RECITALS**

1. WHEREAS, Declarant is the owner of that certain real property located in  
\_\_\_\_\_ County, State of Nevada, described as follows:

Washoe County Assessor Parcel Number's 131-240-02, 131-100-01 and  
131-012-07 (hereinafter "Sending Parcels"), collectively known as a  
project area. For complete legal descriptions see Exhibit "A" attached  
hereto and incorporated herein by this reference. The legal description  
for APN 131-240-02 appeared previously in that certain document  
recorded on December 1, 1992, in Book 3623, Page 345, as Instrument  
No.1626864; the legal descriptions for APN'S 131-100-01 and 131-012-  
07 appeared previously in that certain document recorded April 1, 1976,  
in Book 962, Page 511, as Instrument No. 402368; both documents

being recorded in the official records of the Washoe County Recorder's Office, State of Nevada.

Said Exhibit "A" was recorded in the Office of the County Recorder of Washoe County on March 19, 2002 as Document Number 2665454.

2. WHEREAS, Declarant has received approval from to transfer (only put half the coverage here) **644 square feet of Class 6 Potential land coverage** to the following Receiving Parcel(s) described as follows:

(put the receiving parcels description here) LOT 14 IN BLOCK I OF INCLINE VILLAGE UNIT NO. 1, AS SHOWN ON THE MAP THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER OF WASHOE COUNTY, NEVADA, ON THE 9<sup>TH</sup> DAY OF SEPTEMBER 1968.

Washoe County Assessor Parcel Number: APN 125-223-12

3. WHEREAS, both the Sending Parcels and the Receiving Parcel(s) are located in the Tahoe Region as described in the Tahoe Regional Planning Compact (P.L. 98-551, 94 Stat. 3233,1980), which region is subject to the regional plan and ordinances adopted by the Tahoe Regional Planning Agency ("TRPA") pursuant to the Tahoe Regional Planning Compact.
4. WHEREAS, the "Nevada Land Bank" was established per the Memorandum of Understanding dated July 19, 1993, between the TRPA and the Department of Conservation and Natural Resources, Nevada Division of State Lands, wherein said MOU allows, in part, the Nevada Land Bank to transfer land coverage and other development rights.
5. WHEREAS, as a condition of the transfer approval, Chapter 30 of the TRPA Code of Ordinances Subsection 30.4.3.G.1.c requires that the appropriate deed restriction be recorded against the Sending Parcels documenting the retirement of land coverage and the requirement that the area of the retired land coverage on the Sending Parcels be maintained in a natural or near-natural state. The deed restriction must likewise document that the area of the retired coverage on the Sending Parcels must be protected from soil disturbance.







APPROVED AS TO FORM:

\_\_\_\_\_  
Tahoe Regional Planning Agency

Dated: \_\_\_\_\_

*A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.*

STATE OF NEVADA        )  
  ) SS.  
COUNTY OF DOUGLAS    )

On \_\_\_\_\_ before me, \_\_\_\_\_  
a Notary Public, personally appeared \_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose  
name(s) is/are subscribed to the within instrument and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf  
of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Nevada  
that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: \_\_\_\_\_ (Seal)

Name: \_\_\_\_\_  
(typed or printed)

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**Exhibit "A"**

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

PARCEL 1 (Ptn. 131-240-02)

All that certain real property being a portion of the E-1/2 of Section 15 and the W-1/2 of Section 14, Township 16 North, Range 18 East, M.D.B.&M., more particularly described as follows:

Beginning at the Southwest corner of Lot 92 as said Lot 92 is shown on the map of Fairway Estates No. 1, Lake Tahoe, Washoe County, Nevada, filed in the office of the County Recorder of Washoe County, State of Nevada, on 29 July 1963;

Thence running along the exterior boundary of said Fairway Estates No. 1, the following seven courses and distances:

North 68°12'01" East 129.15 feet; North 59°55'19" East 281.62 feet; North 51°44'25" East 162.50 feet; North 45°20'50" East 159.08 feet; North 46°29'31" East 240.00 feet;  
South 48°55'36" East 124.21 feet; South 34°55'46" East 105.00 feet; to the Northwest corner of Lot 82 of said Fairway Estates No. 1

Thence leaving the exterior boundary of said Fairway Estates No. 1, the following three courses and distances:

South 43°35'45" West 30.00 feet; South 23°51'46" East 107.40 feet; North 47°51'12" East 50.00 feet to the Southwesterly corner of said Lot 82;

Thence North 47°51'12" East 160.00 feet along the Southerly boundary of said Lot 82 to the Southeasterly corner of said Lot 82; last said point being on the Westerly right-of-way of Country Club Drive of said Fairway Estates No. 1, and being on a curve concave to the West, having a radius of 459.85 feet, a central angle of 23°55'10", the tangent to which bears South 22°30'33" East 97.41 feet, and said curve is designated-112 on the map of said Fairway Estates No. 1;

Thence Southerly along the arc of said curve A-112 and arc length of 191.98 feet to the most Easterly corner of Lot 81 of said Fairway Estates No. 1; thence running along the exterior boundary of said Fairway Estates No. 1, the following courses and distances:

North 88°35'23" West 55.00 feet; South 55°42'49" West 195.20 feet; South 32°18'46" West 325.75 feet; South 42°07'00" West 218.59 feet; South 61°08'32" West 121.58 feet; South 67°13'54" West 119.73 feet; South 65°46'38" West 431.89 feet; South 22°47'35" East 490.23 feet; South 35°24'30" East 174.81 feet to the most Southerly corner of Lot 60 and the Northwesterly boundary of Wedge Court, as said Lot 60 and Wedge Court are shown on the map of said Fairway Estates No. 1;

Thence South 45°18'35" West 128.84 feet to the most Westerly point of said Wedge Court; thence South 44°41'25" East 10.00 feet; thence leaving the boundary of said Fairway Estates No. 1, South 45°18'35" West 81.00 feet; thence South 78°46'10" West 228.08 feet, thence South 04°01'41" East 152.00 feet; thence North 86°35'27" East 192.24 feet; thence North 68°41'25" East 110.26 feet; thence South 86°25'24" East 147.52 feet; thence North 24°08'22" West 55.00 feet to the most Southerly corner of said Lot 56 of said Fairway Estates No. 1;

Thence leaving the boundary of said Fairway Estates No. 1, the following three courses and distances:

South 78°22'57" East 72.11 feet; North 52°54'16" East 151.33 feet; North 44°41'25" West 80.00 feet;

Thence running along the boundary of said Fairway Estates No. 1, the following courses and distances:

North 45°18'35" East 68.05 feet; thence South 68°49'44" East 395.59 feet; thence South 61°52'38" East 503.32 feet; thence South 43°14'25" East 218.05 feet; thence South 36°07'58" East 101.17 feet; thence South 25°20'01" East 95.65 feet; thence South 12°42'44" East 95.91 feet; thence South 5°29'38" West 98.95 feet to the most Westerly corner of Lot 32 of said Fairway Estates No. 1, last said point being on the Northerly right-of-way of Fourth Green Drive, as said Fourth Green Drive is shown on the map of said Fairway Estates No. 1;

Thence running along the Northerly line of said Fourth Green Drive the following two courses and distances:

South 88°06'36" West 248.47 feet to a tangent curve to the left, having a radius of 1600.00 feet a central angle of 01°58'43" and is designated A-41 on the map of said Fairway Estates No. 1; thence Southwesterly along the arc of said curve A-41

an arc length of 55.25 feet to the most Easterly corner of Lot 24 of said Fairway Estates No. 1;

Thence continuing along the exterior boundary of said Fairway Estates No. 1, the following courses and distances:

North 11°47'50" West 144.38 feet; North 24°51'19" West 157.71 feet; North 47°34'53" West 156.16 feet; North 53°09'23" West 120.10 feet; North 87°57'03" West 276.54 feet; North 64°54'48" West 159.11 feet; South 73°45'00" West 180.00 feet; North 88°30'00" West 445.00 feet; South 86°45'00" West 279.00 feet; South 37°56'28" West 63.72 feet; thence South 56°30'43" feet; thence leaving the boundary of said Fairway Estates No. 1, South 00°00'34" East 52.00 feet; thence South 69°18'12" East 195.80 feet to the Southwest corner of Lot 13 of said Fairway Estates No. 1;

Thence running along the boundary of said Fairway Estates No. 1, the following courses and distances:

South 56°30'34" East 57.30 feet; South 74°07'41" East 245.00 feet; thence South 57°57'49" East 299.80 feet; South 50°56'02" East 118.32 feet, thence North 38°30'40" East 19.53 feet; thence South 60°11'08" East 126.90 feet; thence South 35°36'36" West 40.00 feet; thence South 06°30'26" East 81.60 feet; South 48°37'29" East 185.89 feet; South 33°32'26" East 174 feet; North 55°37'19" East 451.57 feet; North 57°02'56" East 198.19 feet; North 01°53'24" West 70.00 feet to the Fourth Green Drive;

Thence North 88°06'36" East 181.71 feet along the Southerly right-of-way of said Fourth Green Drive;

Thence leaving said right-of-way South 01°53'24" East 108.72 feet to a point on the Westerly boundary of Lot 117 of said Fairway Estates No. 1; thence South 45°00'00" West 172.60 feet to the most Westerly corner of said Lot 117; thence leaving said boundary of said Fairway Estates No. 1, North 79°18'50" West 50.00 feet; thence South 40°18'58" West 354.77 feet; thence South 17°34'14" West 236.77 feet; thence South 41°23'51" East 309.62 feet; thence South 29°42'38" West 109.36 feet to the Northeasterly right-of-way line of Tahoe Boulevard;

Thence along said right-of-way North 50°33'02" West 1189.55 feet; thence curving to the left through a central angle of 23°26'36" and a radius of 3070.00 feet, a distance of 1256.13 feet; thence North 73°59'38" West 225.16 feet to a curve concave Easterly having a radius of 40.00 feet and a central angle of

135°11'02"; thence along the arc of said curve a distance of 94.38 feet; thence North 84°11'24" East 170.00 feet; thence North 65°11'24" East 217.00 feet; thence North 09°56'24" East 182.00 feet; thence North 21°56'24" East 80.00 feet; thence South 86°16'08" West 221.78 feet to the Easterly right-of-way line of Northwood Boulevard;

Thence along said right-of-way North 20°07'58" West 584.55 feet to a curve concave to the Southwest, having a radius of 740.00 feet, a central angle of 18°44'05"; along the arc of said curve a distance of 241.97 feet, to an arc at the intersection of Northwood Boulevard and Fairway Boulevard, concave to the Southeast, having a radius of 40.00 feet, a central angle of 93°45'19"; along said arc a distance of 65.45 feet to a point on the Southerly right-of-way line of Fairway Boulevard;

Thence North 54°53'16" East 22.48 feet to an arc concave to the Southeast, having a radius of 310.00 feet, a central angle of 09°20'45"; along said arc a distance of 34.25 feet; thence North 64°14'01" East 107.55 feet; to an arc concave to the Northwest, having a radius of 740.00 feet, a central angle of 28°00'00"; along said arc a distance of 361.63 feet; thence North 36°14'01" East 327.77 feet, to an arc concave to the Southeast, having a radius of 528.80 feet, a central angle of 22°44'27"; along said arc a distance of 209.88 feet to the Northwest corner of Incline Villa, a condominium, recorded 17 March 1972, under File No. 238019;

Thence along the exterior boundaries of Incline Villa, South 23°12'19" East 239.25 feet; thence North 74°08'08" East 214.77 feet; thence North 26°57'01" East 85.70 feet to the Southwest corner of Lot 92 of Fairway Estates No. 1 and the Point of Beginning.

Excepting therefrom that certain parcel deeded to Incline Village General Improvement District on 5 December, 1969 under File No. 161146, and more commonly known as Sewage Pumping Section No. 8.

#### PARCEL 2:

All that portion of land lying Southerly of Parcel 1 hereinabove described and lying Westerly of Lot 20 and Easterly of Lot 19 of Fairway Estates No. 1, according to the map filed in the office of the County Recorder of Washoe County, State of Nevada, on July 29, 1963 and lying Northerly of Sand Iron Drive.

NOTE: The above metes and bounds description appeared previously in that certain document recorded December 1, 1992, in Book 3623, Page 345, as Instrument No. 1626864.

PARCEL 3: (131-100-01)

All that certain real property being a portion of the S ½ of Section 10, and the N ½ of Section 15, Township 16 North, Range 18 East, M.D.B.&M., particularly described as follows:

Beginning at the Northwest corner of Lot 23 as said Lot 23 is shown on the Map of Fairway Estates No. 2, Lake Tahoe, Washoe County, Nevada, filed in the office of the County Recorder of Washoe County, State of Nevada on August 28, 1963; thence South 07°32'42" East 747.48 feet to the Southwesterly corner of Lot 17 of said Fairway Estates No. 2; thence running along the exterior boundary of said Fairway Estates No. 2 the following courses and distances:

South 83°25'45" East 107.13 feet; thence South 40°25'45" East 80.00 feet; thence South 05°34'15" West 165.00 feet; thence North 73°04'15" East 145.00 feet; thence North 37°35'15" East 80.00 feet to a point on the Westerly right of way line of Country Club Drive as said Country Club Drive is shown on the map of said Fairway Estates No. 2; thence South 52°24'45" East 40.67 feet; thence leaving said Country Club Drive and continuing on the exterior boundary of said Fairway Estates No. 2 South 23°23'44" West 102.93 feet; thence South 70°13'31" West 174.00 feet; thence South 54°13'31" West 242.00 feet; thence South 83°28'31" West 98.00 feet; thence South 57°58'31" West 330.00 feet; thence South 18°28'31" West 205.00 feet;

Thence South 26°04'56" East 118.61 feet to a point on the Northerly right of way line of Fairway Boulevard as said boulevard is shown on the map of said Fairway Estates No. 2, last said point being on a curve concave to the South having a radius of 640.00 feet, a central angle of 29°18'43"; and the tangent to which bears South 65°36'56" West; thence Southwesterly along the arc of said curve an arc length of 327.42 feet; thence leaving said Fairway Boulevard and the exterior boundary of Fairway Estates No. 2, the following courses and distances;

North 18°19'01" West 127.48 feet; thence North 00°01'39" East 191.88 feet; thence South 89°58'21" East 16.49 feet; thence North 15°43'20" East 221.54 feet; thence North 23°47'24" East 153.30 feet; thence North 72°05'09" East 223.47 feet; thence North 69°49'43" East 260.30 feet; thence North 07°11'51" East 78.08 feet; thence North 88°26'23" West 107.20 feet; thence South 80°26'51" West

162.11 feet; thence South 64°53'14" West 215.46 feet; thence North 42°15'50" West 109.33 feet; thence South 29°45'16" West 193.77 feet; thence South 20°04'42" West 120.40 feet; thence South 01°59'44" East 273.80 feet; thence South 89°58'21" East 16.49 feet; thence South 00°01'39" West 198.66 feet; thence South 18°19'01" East 164.16 feet to a point on the Northerly right of way line of said Fairway Boulevard; thence South 36°14'01" West 99.46 feet along the Northerly line of said Fairway Boulevard; thence leaving said Fairway Boulevard North 26°02'59" West 196.43 feet; thence North 28°26'54" West 109.30 feet; thence North 08°24'58" West 618.70 feet; thence North 12°15'53" East 235.37 feet; thence North 46°44'09" East 233.45 feet; thence North 72°04'20" West 367.35 feet; thence North 76°21'52" West 256.75 feet; thence South 69°23'20" West 615.00 feet; thence South 73°08'53" West 51.66 feet; thence North 80°58'04" West 101.98 feet; thence North 23°28'45" West 46.49 feet; thence North 16°04'09" West 215.00 feet; thence South 73°55'51" West 130.00 feet; thence North 16°04'09" West 87.00 feet; thence North 60°40'51" East 70.00; thence North 36°22'46" West 87.98 feet to the Southerly boundary of Lot 42 of said Fairway Estates No. 2; thence running along the exterior boundary of said Fairway Estates No. 2 North 89°10'51" East 243.00 feet; thence North 56°10'51" East 345.00 feet; thence North 65°02'17" East 180.66 feet to a point on the Southerly right of way line of Driver Way as said Driver Way is shown on the map of said Fairway Estates No. 2, last said point is located on a curve concave to the Southwest, having a radius of 975.00 feet a central angle of 08°39'28"; the Tangent to which bears South 85°58'46" East 73.80 feet and is designated A-31 on the map of said Fairway Estates No. 2; thence Southeasterly along the arc of said curve A-31 and the Southerly right of way of said Driver Way an arc length of 147.33 feet; thence South 77°19'18" East 185.00 feet along the Southerly right of way of said Driver Way to a curve to the left, having a radius of 1975.00 feet and a central angle of 10°15'00"; thence Southeasterly along the arc of last said curve and the Southerly right of way of said Driver Way an arc length of 353.32 feet; thence South 87°34'18" East 102.00 feet along the Southerly right of way of said Driver Way to the Northwesterly corner of Lot 37 of said Fairway Estates No. 2; thence continuing along the exterior boundary of said Fairway Estates No. 2 South 07°55'20" West 322.32 feet; thence South 59°20'29" East 451.05 feet; thence North 54°57'50" East 212.51 feet; thence North 15°50'35" East 153.84 feet; thence North 00°11'59" East 287.00 feet; thence North 11°59'25" West 202.61 feet to a point on the Southerly right of way of said Driver Way; thence North 52°55'42" East 35.00 feet along the Southerly right of way of said Driver Way to a tangent curve to the right, having a radius of 1715.00 feet and a central angle of 6°03'48"; thence Northeasterly along the arc of last said curve and the Southerly right of way of said Driver Way and arc length of 181.49 feet; thence leaving Driver Way and the exterior boundary of

said Fairway Estates No. 2, South 08°33'27" East 125.55 feet; thence North 79°09'33" East 37.50 feet to the point of beginning of this description.

NOTE: The above metes and bounds description appeared previously in that certain document recorded April 1, 1976, in Book 962, Page 511, as Instrument No. 402368.

PARCEL 4: (131-012-07)

All that certain real property being a portion of the S ½ of Section 10, Township 16 North, Range 18 East, M.D.B.&M., more particularly described as follows:

Beginning at the Southwest corner of Lot 64 as said Lot 64 is shown on the map of Fairway Estates No. 2, Lake Tahoe, Washoe County, Nevada, filed in the office of the County Recorder of Washoe County, State of Nevada, on August 28, 1963; thence North 66°53'23" East 1014.06 feet to the Southwest corner of Lot 72 of said Fairway Estates No. 2; thence South 24°14'22" East 20.00 feet; thence North 17°21'49" West 80.00 feet to the lot corner common to Lots 74 and 75 of Fairway Estates No. 2, said lot corner also being on the West line of Glenrock, a Townhouse, recorded June 23, 1967, under File No. 90533, Official Records; thence along the West boundary of Glenrock South 29°13'26" East 205.25 feet; thence Southeasterly along the arc of a tangent curve to the right having a radius of 200.00 feet and a central angle of 20°46'43"; an arc distance of 72.53 feet; thence South 08°26'43" East 185.76 feet; thence South 89°48'54" East 257.41 feet to the Southeast corner of Glenrock, a Townhouse; thence North 00°54'54" East 50.17 feet; thence North 75°33'22" East 121.17 feet; thence South 62°42'38" East 107.80 feet; thence South 07°12'18" East 191.68 feet; thence South 25°10'18" East 80.02 feet; thence Southeasterly, Southerly and Southwesterly along the arc of a tangent curve to the right having a radius of 20.00 feet and a central angle of 85°05'46" and arc distance of 29.70 feet to a point on the Northerly right of way of Driver Way as said Driver Way is shown on the map of said Fairway Estates No. 2; thence running along the Northerly right of way of said Driver Way Southeasterly along the arc of a curve concave Southerly having a radius of 1765.00 feet, a central angle of 6°59'46" and the tangent to which bears South 59°55'28" West 107.89 feet; said curve is a portion of that designated A-125 on the map of said Fairway Estates No. 2; thence South-Westerly along a portion of the arc of said curve A-125 and the Northerly right of way line of said Driver Way an arc distance of 215.52 feet; thence continuing along the Northerly line of said Driver Way South 52°55'42" West 28.00 feet to the Southeast corner of Lot 128 as said Lot 128 is shown on the map of Fairway Estates No. 2, Lake Tahoe, Washoe County, Nevada, filed in the office of the County Recorder of

Washoe County, State of Nevada, on August 28, 1963; thence running along the Easterly boundary of said Lot 128 the following courses and distances:

North 35°03'44" West 55.90 feet; thence North 05°54'42" East 60.88 feet; thence South 69°25'42" West 167.00 feet; thence South 20°34'18" East 35.00 feet; thence along the arc of a curve to the left having a radius of 204.00 feet, a central angle of 16°30'00" and an arc length of 58.75 feet; thence South 37°04'18" West 36.33 feet;

thence along the arc of a curve to the left having a radius of 20.00 feet, a central angle of 90°00'00" and an arc length of 31.42 feet to the North line of Driver Way; thence along said North line South 52°55'42" West 82.00 feet; thence leaving said Driver Way along the arc of a curve to the left and concave Westerly having a radius of 20.00 feet, a central angle of 90°00'00" and an arc length of 31.42 feet; thence North 37°04'18" West 36.33 feet; thence along the arc of a curve to the right of having a radius of 246.00 feet, a central angle of 16°30'00"; and an arc length of 70.84 feet; thence North 20°34'18" West 244.00 feet to the Northeast corner of Lot 126 of said Fairway Estates No. 2; thence North 46°22'01" West 50.00 feet; thence North 87°21'03" West 93.90 feet to a point on Cart Court as said Cart Court is shown on the map of Fairway Estates No. 2, last said point being on a curve concave Southwesterly, having a radius of 45.00 feet, a central angle of 90°47'14" and the tangent to which bears North 52°27'51" West 45.62 feet; thence Northwesterly, Westerly and Southwesterly along the arc of last said curve and arc distance of 71.30 feet to the beginning of a curve designated A-117, concave Northwesterly, having a radius of 40.00 feet, a central angle of 33°46'04" and the tangent to which bears South 36°44'55" West 12.14 feet; thence Southwesterly along the arc of said curve A-117, an arc distance of 23.57 feet to the Southeast corner of Lot 57 of Fairway Estates No. 2; thence running along the exterior boundary of said Fairway Estates No. 2 the following courses and distances:

North 24°16'56" West 148.58 feet; thence South 69°36'28" West 252.99 feet; thence South 73°45'00" West 148.00 feet; thence South 81°45'00" West 244.00 feet; thence South 00°30'00" West 50.00 feet; thence South 65°31'28" East 194.04 feet; thence South 59°04'18" East 330.00 feet; thence South 76°49'18" East 198.00 feet to the most Southerly corner of Lot 51 of said Fairway Estates No. 2; thence South 00°19'18" East 37.30 feet along the Westerly right of way line of Caddie Court as said Caddie Court is shown on the map of said Fairway Estates No. 2, to the beginning of a tangent curve to the right having a radius of 30.00 feet, a central angle of 92°45'00" and designated curve A-104 on the map of said Fairway Estates No. 2; thence Southeasterly, Southerly, Southwesterly,



Westerly and Northwesterly along the arc of said curve A-104 an arc distance of 48.56 feet; thence North  $87^{\circ}34'18''$  West 25.80 feet along the Northerly right of way of said Driver Way to a tangent curve to the right having an radius of 1925.00 feet, a central angle of  $10^{\circ}15'00''$  and designated A-103 on the map of said Fairway Estates No. 2; thence Northwesterly along the arc of said curve A-103 an arc length of 344.38 feet; thence continuing along the Northerly right of way of said Driver Way North  $77^{\circ}19'18''$  West 185.00 feet to a tangent curve to the left having a radius of 1025.00 feet, a central angle of  $27^{\circ}15'00''$  and is designated A-102 on the map of said Fairway Estates No. 2; thence Northwesterly, Westerly, and Southwesterly along the arc of said curve A-102 an arc length of 487.49 feet; thence continuing along the Northerly right of way of said Driver Way South  $75^{\circ}25'42''$  West 83.00 feet to a tangent curve to the right, having a radius of 1775.00 feet, a central angle of  $05^{\circ}34'33''$  and designated A-101 on the map of said Fairway Estates No. 2; thence Southwesterly along the arc of said curve A-101 an arc distance of 172.74 feet to the Southeasterly corner of Lot 45 of said Fairway Estates No. 2; thence North  $19^{\circ}31'13''$  West 143.01 feet to the Northeasterly corner of said Lot 45; thence South  $84^{\circ}36'18''$  West 25.00 feet to the Southeasterly corner of Lot 50 of Fairway Estates No. 2; thence North  $33^{\circ}32'19''$  West 135.62 feet to an angle point in the Easterly line of said Lot 50; thence North  $70^{\circ}55'22''$  West 35 feet; thence on a curve to the left on Ace Court as said Court is shown on Fairway Estates No. 2 and designated A-155 to a point on the Southerly line of Lot 58 of said Fairway Estates No. 2; thence North  $68^{\circ}11'09''$  East 273.86 feet to the true point of beginning.

Together with a strip of land 20 feet in width lying between Lots 66 and 67 of Fairway Estates No. 2 and bordered on the North by 14<sup>th</sup> Green Drive.

NOTE: The above metes and bounds description appeared previously in that certain document recorded April 1, 1976, in Book 962, Page 511, as Instrument No. 402368.

# EXHIBIT "H"

Add address here

APN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

(Receiving Parcel)

**RECORDING REQUESTED BY:**

Incline Village General Improvement District  
893 Southwood Boulevard  
Incline Village, Nevada 89451

Nevada Land Bank  
Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

**WHEN RECORDED MAIL TO:**

Nevada Land Bank  
Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

Escrow No. \_\_\_\_\_

Stewart Title Company, Reno, NV

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**NOTICE OF TRANSFER, OPTION TO REPURCHASE AND  
RESTRICTIONS ON ASSIGNMENT OF COVERAGE**

Notice is hereby given that the Incline Village General Improvement District, a quasi municipal corporation and political subdivision of the State of Nevada, ("IVGID") and the Nevada Division of State Lands ("NDSL") Nevada Land Bank ("Sellers") have transferred \_\_\_\_\_ square feet of Class \_\_\_\_, potential coverage (hereafter "Coverage") as defined in Chapter 30 of the Code of Ordinances of the Tahoe Regional Planning Agency (hereinafter "TRPA"), to that certain real property (the "Receiving Parcel") belonging to the undersigned Owner, more particularly described in Exhibit "A" attached hereto.

Seller has retained an Option to Repurchase any portion of the Coverage which remains unused on the Receiving Parcel at the end of two and one-half years from the date of approval by the **TRPA permit** conditioned upon the transfer of the Coverage. The option term shall be for 180 days, commencing at the end of said two and one-half year period. Exercise of the option shall be by written notice from Seller to the Owner or the Owner's successor in interest.

The terms of the agreement regarding transfer of the Coverage are more particularly set forth in the "Purchase and Sale Agreement and Joint Escrow Instructions" dated \_\_\_\_\_, executed by Seller and the Owner ("Agreement").



By: \_\_\_\_\_ Date: \_\_\_\_\_  
Charles Donohue  
Administrator and State Lands Registrar

State of Nevada )  
 ) ss  
County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, personally appeared \_\_\_\_\_ personally known to me, (or proved on the basis of satisfactory evidence) to be the person whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon their behalf of which the person acted, executed the instrument.

\_\_\_\_\_  
Notary Public

**Seller: Nevada Division of State Lands**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Charles Donohue  
Administrator and State Lands Registrar

State of Nevada )  
 ) ss  
County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, personally appeared \_\_\_\_\_ personally known to me, (or proved on the basis of satisfactory evidence) to be the person whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon their behalf of which the person acted, executed the instrument.

\_\_\_\_\_  
Notary Public

**EXHIBIT "A"**  
(Legal Description of Receiving Parcel)



# EXHIBIT "I"

BRADLEY CROWELL  
*Director*

Department of Conservation  
and Natural Resources

CHARLES C DONOHUE  
*Administratur*

BRIAN SANDOVAL  
*Governor*



State Land Office  
State Land Use Planning Agency  
Nevada Tahoe Resource Team  
Conservation Bond Program -Q1

*Address Reply to*

Division of State Lands  
901 S. Stewart St. Suite 5003  
Carson City, Nevada 89701-5246  
Phone (775) 684-2720  
Fax (775) 684-2721  
Web [www.lands.nv.gov](http://www.lands.nv.gov)

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

Division of State Lands

\_\_\_\_\_, 20\_\_

(To be mailed to TRPA/\_\_\_\_\_ County)

Regarding: Land Coverage Transfer Escrow  
Receiving Parcel APN \_\_\_\_-\_\_\_\_-\_\_\_\_  
Address: \_\_\_\_\_  
Buyer: \_\_\_\_\_  
Seller: Nevada Division of State Lands/IVGID

Dear Mr Boyd:

This is to advise you that the above referenced transaction closed escrow on \_\_\_\_\_, 20\_\_ and all documents have been recorded. In this transaction \_\_\_\_\_ square feet of Class \_\_, \_\_\_\_\_ land coverage was transferred to the above referenced Receiving Parcel from \_\_\_\_\_ APN \_\_\_\_-\_\_\_\_-\_\_\_\_ and from the Nevada Land Bank.

In the event you have any questions please contact me at (775) 684- 2735.

Sincerely,

Brenda Swart  
State Land Agent II  
Nevada Tahoe Resource Team  
[bswart@lands.nv.gov](mailto:bswart@lands.nv.gov)

Enclosures



## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Brad Underwood, P.E.  
Director of Public Works

**SUBJECT:** Reject the bids for the Slott Peak Court Water Main Replacement Project; 2021/2022 Capital Improvement Project: Fund: Public Works; Division: Water; Project # 2299WS1706 in accordance with NRS 338.1385, paragraph 6, subparagraph (d).

**DATE:** May 28, 2021

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### **I. RECOMMENDATION**

Staff recommends that the Board of Trustees make a motion, in accordance with NRS 338.1385, paragraph 6, subparagraph (d), to reject the bids received for the Slott Peak Water Main Replacement Project; 2021/2022 Capital Improvement Project: Fund: Public Works; Division: Water; Project # 2299WS1706 because acquisition of materials difficulties and escalation in cost of materials that currently exist in the market.

#### **EXCERPT FROM NRS 338.1385**

6. *Any bids received in response to an advertisement for bids may be rejected if the **public body or its authorized representative** responsible for awarding the contract determines that:  
(d) *The public interest would be served by such a rejection.**

### **II. BACKGROUND**

At the December 9, 2020 Board of Trustees meeting, Staff requested the appropriation of \$45,000 from unallocated Utility capital funds to advance the design of FY2021-2022 Capital Project: Watermain Replacement – Slott Peak Court 2299WS1705. This adjustment to the budget allowed design to begin early in FY2020-2021 to take advantage of the competitive bidding climate, which was evident by the four bids received. Staff intended to do an early award so that construction could begin immediately after July 1, 2021.

Recently, Staff reached out to the responsive low bid contractor to discuss the award. The contractor notified Staff of a 40% increased cost to materials and the lead time of 18 weeks, the latter of which puts the construction start date outside the Tahoe construction season. With this information staff believes it is in the District's best interest to reject all bids, and re-bid the project after January 1, 2022 with the intent to award the project allowing plenty of lead time for the contractor to obtain the necessary materials for the project and perform the work within the 2022 Tahoe construction season.

### III. BID RESULTS

Bids were received by four contractors and the overall responsive low bidder was F.W. Carson (Attachment A). See the table below for the summary of bids.

Contractor	Bid Schedule A	Bid Schedule B	Total Bid
F.W. Carson	\$169,980.00	\$ 11,200.00	\$181,180.00
Gerhardt & Berry	\$181,391.00	\$ 13,250.00	\$194,641.00
RaPid Construction	\$182,291.00	\$ 10,000.00	\$192,291.00
Burdick	\$209,845.00	\$ 1,000.00	\$210,845.00

### IV. FINANCIAL IMPACT AND BUDGET

The District's Five-Year Capital Improvement Plan adopted with the annual budget on May 27, 2020, included the annual Watermain Replacement project, Slott Peak Court Watermain Replacement #2299WS1705 FY2021-22 (\$250,000) (Attachment B). An adjustment to the budget was approved to allow for the design of the waterline to take place during FY2020-21 during the December 9, 2020 Board of Trustees meeting. The project was designed and bid in March of 2021, to be able to start construction after July 1, 2021.

Based on the breakdown of proposed project costs to date (see summary table below), the project would require a budget augmentation to cover estimated construction costs without addressing the 40% escalation in material costs. The anticipated increase in material prices as of (May 26, 2021) would equate to an increase of approximately \$20,000 to \$25,000. Currently, prices are increasing daily according to material suppliers.

Staff is hopeful that by delaying the project, supply chain shortages as a result of the pandemic will resolve over the remainder of 2021 and material prices will stabilize.

### V. ALTERNATIVES

Award the contract and renegotiate with the contractor due to increased material costs and a delay in construction.

### VI. BUSINESS IMPACT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

Attachments:

A – Detailed Bid Results

B – FY21/22 CIP Data Sheet

Bid Tabulation  
2021 Watermain Improvements Project

Schedule A - Slott Peak				F. W. Carson		Gerhardt & Berry		RaPiD Construction		Burdick	
Item #	Description	Unit	Est. Qty.	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Mobilization/Demobilization	LS	1	\$11,200.00	\$ 11,200.00	\$ 9,350.00	\$ 9,350.00	\$ 8,741.00	\$ 8,741.00	\$22,000.00	\$ 22,000.00
2	Temporary Erosion Control/Tree Protection	LS	1	\$ 5,500.00	\$ 5,500.00	\$ 7,835.00	\$ 7,835.00	\$10,000.00	\$ 10,000.00	\$ 4,000.00	\$ 4,000.00
3	Demolition	LS	1	\$17,600.00	\$ 17,600.00	\$ 7,365.00	\$ 7,365.00	\$10,000.00	\$ 10,000.00	\$ 2,000.00	\$ 2,000.00
4	Traffic Control	LS	1	\$ 9,000.00	\$ 9,000.00	\$ 6,500.00	\$ 6,500.00	\$10,000.00	\$ 10,000.00	\$23,000.00	\$ 23,000.00
5	Shoring & Worker Safety	LS	1	\$ 5,000.00	\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 500.00	\$ 500.00
6	2" Service Line	EA	5	\$ 3,500.00	\$ 17,500.00	\$ 8,500.00	\$ 42,500.00	\$ 5,500.00	\$ 27,500.00	\$ 5,400.00	\$ 27,000.00
7	8" PVC C900 Waterline (DR-14)	LF	297	\$ 140.00	\$ 41,580.00	\$ 138.00	\$ 40,986.00	\$ 150.00	\$ 44,550.00	\$ 185.00	\$ 54,945.00
8	Blow-Off Valve Assembly	EA	1	\$ 4,700.00	\$ 4,700.00	\$ 3,385.00	\$ 3,385.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
9	Lakeshore West Connection	LS	1	\$ 7,300.00	\$ 7,300.00	\$ 6,810.00	\$ 6,810.00	\$10,000.00	\$ 10,000.00	\$ 7,100.00	\$ 7,100.00
10	Lakeshore/Slott Peak Connection	LS	1	\$ 9,800.00	\$ 9,800.00	\$ 9,085.00	\$ 9,085.00	\$10,000.00	\$ 10,000.00	\$ 9,500.00	\$ 9,500.00
11	Lakeshore East Connection	LS	1	\$ 7,300.00	\$ 7,300.00	\$ 6,750.00	\$ 6,750.00	\$10,000.00	\$ 10,000.00	\$ 7,100.00	\$ 7,100.00
12	Fire Hydrant Assembly	EA	1	\$11,700.00	\$ 11,700.00	\$10,625.00	\$ 10,625.00	\$10,000.00	\$ 10,000.00	\$10,000.00	\$ 10,000.00
13	Pavement Restoration	SF	1,400	\$ 12.00	\$ 16,800.00	\$ 16.00	\$ 22,400.00	\$ 10.00	\$ 14,000.00	\$ 18.00	\$ 25,200.00
14	Site Restoration	LS	1	\$ 5,000.00	\$ 5,000.00	\$ 5,300.00	\$ 5,300.00	\$10,000.00	\$ 10,000.00	\$12,500.00	\$ 12,500.00
<b>Total Bid, Schedule A</b>					<b>\$ 169,980.00</b>		<b>\$ 181,391.00</b>		<b>\$ 182,291.00</b>		<b>\$ 209,845.00</b>

Schedule B - Valley/Len PRV Improvements

Item #	Description	Unit	Est. Qty.	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
15	Valley-Len PRV Improvements	LS	1	\$11,200.00	\$ 11,200.00	\$13,250.00	\$ 13,250.00	\$10,000.00	\$ 10,000.00	\$ 1,000.00	\$ 1,000.00
<b>Total Bid, Schedules A + B</b>					<b>\$ 181,180.00</b>		<b>\$ 194,641.00</b>		<b>\$ 192,291.00</b>		<b>\$ 210,845.00</b>



## Project Summary

<b>Project Number:</b>	2299WS1706
<b>Title:</b>	Watermain Replacement - Slott Pk Ct
<b>Project Type:</b>	D - Capital Improvement - Existing Facilities
<b>Division:</b>	21 - Supply & Distribution
<b>Budget Year:</b>	2021
<b>Finance Option:</b>	
<b>Asset Type:</b>	DI - Distribution Infrastructure
<b>Active:</b>	Yes

### Project Description

This project is a continuation of the multi-year program to replace 1960's era thin-wall steel watermains and other deficient watermains. This project will replace the watermain on Slott Peak, a Cul de Sac on the western end of Lakeshore Blvd. Replacement criteria is twofold: Replace those watermains with the most leaks and in streets with aging pavement. Since our water loss is now less than 6%, our main objective is to work closely with the Washoe County Road Department to replace watermains just prior to the County's repaving the street. We also work closely with the North Lake Tahoe Fire Protection District to determine areas of low fire flow, which may indicate a need for increased capacity in that area. There is approximately 6 miles of old steel watermains remaining in the system.

Our watermain replacement strategy involves meeting with Washoe County prior to each budget year and jointly agreeing on streets to be paved and watermains to be replaced. This project budgets to replace approx. 6 miles of pipeline in 15 years at \$1,500,000 per mile. Without additional escalators, that is \$9,000,000 in 15 years or \$600,000 per year. Adjustments have been made to allow for the trend of a high year then low year of work scheduled.

### Project Internal Staff

Engineering will perform Design, Engineering, Bidding, Contract Administration and Inspection tasks. Outside contractor to do the work. IVGID resources remain available for ongoing maintenance activities and emergency response.

### Project Justification

Our overall goal is to replace deficient watermains to keep our unaccounted for water loss to under 6% and to avoid costly pavement patch penalties imposed by Washoe County. The original watermains installed in much of Incline Village in the 1960's were thin-walled steel. These pipes are now failing repeatedly and need replacement. Washoe County has high pavement penalty costs for replacing watermains in newly paved streets. Replacing watermains in newly paved streets or streets with an excellent pavement condition could increase project costs by up to 50% due to pavement cut penalties.

### Forecast

Budget Year	Total Expense	Total Revenue	Difference
2022			
Construction Inspection & Testing	30,000	0	30,000
Internal Planning & Design	45,000	0	45,000
Washoe Co Street Repair and Penalties	25,000	0	25,000
Watermain Construction	150,000	0	150,000
Year Total	250,000	0	250,000
	250,000	0	250,000

Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2017	Nov 2, 2020	Jun 30, 2022	Senior Engineer	

## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Tim Callicrate  
Board of Trustees Chairman

**THROUGH:** Indra Winqest.  
District General Manager

Susan A. Herron  
District Clerk

**SUBJECT:** Conduct interview(s) with applicants Derrek Aaron, Yolanda Knaak, and Chris Nolet **and** review, discuss and possibly make an appointment of one (1) Audit Committee At-Large Member (Policy 15.1.0) for a two-year term beginning July 1, 2021

**DATE:** June 1, 2021

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In accordance with Policy 15.1.0: Accounting, Auditing and Financial Reporting: Audit Committee; Organization, specifically the following paragraph, this item is brought forward for possible action.

- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate expertise with staggering two-year terms.
  - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
  - Each subsequent appointment will serve two-year terms.

Audit Committee At-Large Member Derrek Aaron's one-year term expires June 30, 2021. An ad was run in the *Tahoe Daily Tribune* on Friday, May 21, 2021 and Friday, May 28, 2021 (ad copy attached) requesting applications to potentially appoint a member of the public to a two-year term.

Three people have applied for the above at-large position:

Derrek Aaron – application received on June 2, 2021; attached  
Yolanda Knaak – application received on May 31, 2021; attached  
Chris Nolet – application received on May 20, 2021; attached

All three of the above people have been invited to attend the meeting of June 9, 2021 so as interviews can take place. Should the Board decide to do an appointment, that can be done at this meeting and the term would be in effect starting July 1, 2021 and end June 30, 2023.



## Accounting, Auditing, and Financial Reporting Audit Committee Policy 15.1.0

The Incline Village General Improvement District is committed to be proactive, informed, and providing the highest form of financial accountability to its parcel owners. Achieving this goal requires clear rules and procedures for making decisions and their impact on financial results.

The Government Finance Officers Association encourages the effective use of an audit committee in the public sector and considers this committee an integral element of public accountability and governance. The Audit Committee plays a key role with respect to the integrity of the District's financial information by ensuring those responsible for financial management (management, auditors, and the Board of Trustees) meets their respective responsibilities for internal controls compliance and financial reporting.

To be effective, an audit committee should be formally established by the Board of Trustees, be adequately funded, and properly documented.

**POLICY:** The Audit Committee ("Committee") is to assist the Board of Trustees fulfill its responsibilities in accordance with Nevada Revised Statutes, District Policies, Practices, Ordinances, and Resolutions by providing oversight over the District's financial reports, the systems of internal controls including the internal audit plans and reports, and the independent external auditor's assessment of financial statements.

The Committee will ensure open communication and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and internal/external auditors.

The Audit Committee Charter shall be reviewed periodically with recommended changes submitted to the Board of Trustees for approval.

**ORGANIZATION:** The Committee shall consist of five (5) voting members. This includes two Board appointed Trustees and three Board appointed qualified At-Large Members. The Committee can be expanded to an odd number. Recommendations for expanding the number of voting members will be approved by the Committee and submitted to the Board of Trustees for approval. The Committee is to retain a financial advisor, potentially a resource from the external audit firm, to attend meetings, provide guidance and training, as needed.

Members of the Audit Committee should obtain an understanding of accounting, auditing, financial reporting, and internal control to be able, with the assistance of





## **Accounting, Auditing, and Financial Reporting Audit Committee Policy 15.1.0**

a financial advisor, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for an outside financial advisor to assist the Committee with the independent conduct of its work. The financial advisor will be responsible for ensuring the Committee members receive training relative to internal controls, understanding of financial reports, internal audit processes, governmental regulations, and other pertinent information. The advisor should possess the following qualifications:

- A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB), and financial reporting for the public sector
- Experience either preparing or auditing financial statements for similar entities
- Experience with accounting estimates and accruals
- Experience with financial internal controls
- An understanding of the function of an audit committee

Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District.

- Annually, the Board of Trustees will appoint two Trustees to be voting members. Appointing Trustees to serve successive years increases the consistency and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall appoint a new member to the committee.
- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate expertise with staggering two-year terms.
  - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
  - Each subsequent appointment will serve two-year terms.

One voting member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

The voting Committee members are limited to two 2-year terms which may be extended in the event there are no interested and qualified applicants.



**Accounting, Auditing, and Financial Reporting  
Audit Committee  
Policy 15.1.0**

**1.0 Independent auditor reports directly to the Audit Committee**

The independent auditor reports directly to the Audit Committee. The Audit Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required, beyond the scope of work contained in the engagement agreement, to fulfill their responsibilities.

**2.0 Scope of Audit Committee's Authority and Responsibilities**

It is the responsibility of the Committee to provide independent review and oversight of:

1. Financial reporting
2. Internal controls
3. The independent audit of financial statements

To fulfill these responsibilities, the Committee must:

- 2.1 Be independent, effectively communicate, and reinforce accountability.
- 2.2 Manage the external independent audit procurement process.
  - 2.2.1 Ascertain that the Request For Proposal (RFP) for a firm to be retained by the District for the annual financial audit is no more than five fiscal years with those directly supervising audit staff rotating at least every two years and audit engagement partners rotating at least every three years.
  - 2.2.2 Select the independent external auditor.
- 2.3 Make recommendations to the Board of Trustees and take subsequent action to engage an external auditor for the District's Comprehensive Annual Financial Report (CAFR)
  - 2.3.1 Make recommendations on the scope of work including the identification of funds to be audited.





**Accounting, Auditing, and Financial Reporting  
Audit Committee  
Policy 15.1.0**

- 2.3.2 If deemed necessary, identify and recommend additional services to be performed.
- 2.3.3 By March 31st of each year, the Board of Trustees is to formally designate an external audit firm and inform the Nevada Department of Taxation.
- 2.3.4 When appropriate replace the independent external auditors or auditing firms doing work for the District and initiate the procurement process (2.2).
- 2.3.5 Approve the scope of work and audit plans by June of each year.
  
- 2.4 Facilitate the external audit process.
  - 2.4.1 Review and approve formal reports or letters to be submitted to the external auditor.
  - 2.4.2 Provide an independent forum for (external and/or internal resources) auditors to report findings or difficulties encountered during the audit.
  - 2.4.3 Review the auditors' report of findings and recommendations with management and the auditor.
  - 2.4.4 Review the CAFR in its entirety, including unaudited sections and letters.
  - 2.4.5 Follow -up on any corrective action identified.
  - 2.4.6 Submit a written annual Audit Committee Report to the District's Board of Trustees in conjunction with the presentation of the annual audit.
  - 2.4.7 Assess the performance of the independent auditors.
  
- 2.5 Review the financial statements; quarterly and annually for fair and accurate reporting.
  - 2.5.1 Review any changes in accounting policy.
  - 2.5.2 Ensure accounting policies are followed.
  - 2.5.3 Review any off-balance sheet financings.
  
- 2.6 Review the framework of internal controls; ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.



**Accounting, Auditing, and Financial Reporting  
Audit Committee  
Policy 15.1.0**

- 2.6.1 Review the annual internal control audit plan(s).
- 2.6.2 Review management's annual assessment of their internal controls for prior year's audit plan.
- 2.6.3 Evaluate management's identification of fraud risks, ensure the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be accepted in any form.
- 2.6.4 The Committee may identify a need to engage an external Internal Auditor to address a specific area of concern.
  - 2.6.4.1 The Committee will review and approve or modify Management's proposal for the scope of work and selection of the resource.
  - 2.6.4.2 Management is responsible for engaging the resource to perform the scope of work and overseeing contract deliverables.
  - 2.6.4.3 Management will have the responsibility for implementation of identified internal control changes or enhancements.
  - 2.6.4.4 Management will report the findings and resolutions to the Committee.
- 2.7 Periodically review the District's code of conduct that promotes honest and ethical conduct; full, fair, accurate, timely, and understandable disclosure in periodic reports; and compliance with applicable policies to ensure it is adequate and up-to-date.
- 2.8 To review and refine as necessary the procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud.
  - 2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.
  - 2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.
  - 2.8.3 Publicize the means for the public and employees to submit concerns to the Audit Committee.



**Accounting, Auditing, and Financial Reporting  
Audit Committee  
Policy 15.1.0**

2.8.4 Review any submissions received, monitor the status of all submissions, ensure their timely resolution, and the document handling or disposition.

2.9 The Audit Committee is to submit an annual report to the Board of Trustees assessing the results of its fulfillment of its duties and responsibilities.

**3.0 Meetings**

3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241. The Board of Trustees will be emailed a copy of the meeting minutes. Meeting minutes will be posted on the District website.

3.2 The committee will hold meetings at a minimum of once per quarter. All members are expected to attend on a regular basis.

3.3 Review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.

3.4 Review all past correspondence with action outstanding. Ensure responses and/or corrective action is taken in a timely manner.

3.5 The committee may ask members of management or others to attend meetings and provide pertinent information as necessary.

3.6 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.

3.7 An annual meeting is to be held with the independent external auditors, the General Manager, the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual financial statements including the Comprehensive Annual Financial Report (CAFR) and the auditor's letter of findings.

## Herron, Susan

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**From:** Chris Nolet <cnolet99@gmail.com>  
**Sent:** Thursday, May 20, 2021 8:14 PM  
**To:** Herron, Susan  
**Subject:** Audit Committee Candidate  
**Attachments:** Nolet Board BIO November '19 (1) (11).doc

**Follow Up Flag:** Flag for follow up  
**Flag Status:** Flagged

Susan - my name is Chris Nolet. My wife Marilyn and I are full time residents in Incline Village, after commuting to our IV home for many years beginning in 2007. As you will see in my CV attached, I was a partner in two of the "Big Four" firms since 1991, retiring in 2019. I have been working with Audit Committees for over 30 years, and have served on at least one Audit Committee going back over 20 years. I am a California CPA (retired), with a perfect record of audit quality inspections by the PCAOB.

I currently serve on three corporate biotech company boards, but have now made time in my schedule to expand my commitment to Incline Village beyond church and lake clean-up activities.

While you will see that I have over two decades of non-for-profit Audit Committee/Board experience, I will need to brush up on GASB to make the maximum contribution to the IVGID Audit Committee.

I would be pleased to answer any questions you or the Trustees may have, and hope to interview with those interested in my candidacy soon.

I welcome a response to this email, or a call at 650 245 0996.

Best regards.



## Chris Nolet



**Chris Nolet**  
Former West Region Life Sciences  
Industry Leader and  
Partner - Ernst & Young LLP

Cell: +1 650 245-0996  
[cnolet99@gmail.com](mailto:cnolet99@gmail.com)

765 Lakeshore Blvd  
Incline Village, NV 89451

Chris was an audit partner (retired June 2019) having held various leadership roles in the profession and in the Life Sciences industry. In addition to serving clients, his former responsibilities include leading the West EY Life Sciences Industry Group generating revenues of approximately \$250 million. He currently serves on both the Executive Committee and Finance/Audit Committee (Co-Chair) of the California Life Sciences Industry Association (CLSA, and its predecessor CHI) for the past 20 years. Chris is a former member of the Finance & Investment Committee and Emerging Companies Section of BIO (the Biotechnology Innovation Organization). He has testified before Congress with Dr. Janet Woodcock regarding the need for FDA reform.

Chris is current a member of the Board of Directors of two public companies - Revance Therapeutics (Audit Committee Chair, Finance and Nominating/Governance Committees), and PolarityTE (Audit Committee Chair, Strategic Review Committee Chair and Nominating/Governance Committee). He is also a current member of the Board of Directors of Ambrx Biopharma (Audit Committee Chair).

Chris is a former member (thru March 2021) of the Board of Directors of Viela Bio (Audit Committee Chair and Nominating/Governance Committee), a company which was acquired by Horizon Therapeutics in March 2021 for \$3.1 billion. Chris joined Viela to help them prepare for a successful IPO (lead by Goldman Sachs). Shortly after the IPO, Viela completed a \$190 million follow-on equity offering. Chris was also a member of a Special Committee that evaluated and declined an earlier tender offer at a lower valuation than \$3.1 billion.

As an audit partner, Chris' clients included Affymetrix, Amgen, Applied Biosystems, Genentech/Roche (two terms, requested by management), Gilead (two terms, requested by the Audit Committee), Eli Lilly, Allogene Therapeutics, Denali Therapeutics, Portola Pharmaceuticals, Exelixis, Theravance, Gritstone Oncology, Varian Medical and Vir Biotechnology.

Chris worked with the full range of life science companies, from rapidly growing VC backed startups to Fortune 100 companies. He has extensive experience in capital structuring, leading IPO preparation and successful completion, assisting companies in making the transition to being publicly traded commercial entities, assessing gross-to-net and outcomes-based pricing arrangements, and structuring collaborations, mergers and acquisitions. Chris has personally led nearly 20 Life Science IPOs and was a featured speaker at the annual Davis Polk IPO conference.

Chris was a member of the Global EY Life Sciences Executive Leadership Group, which establishes policies and operating strategies for EY's \$2 billion industry practice worldwide. As the leader of the four-service line Life Sciences practice in the West Region, he recruited and mentored an inclusive team which achieved composite growth rates of 20% FY '19 and 15% in FY '18.

After joining EY in 2001, Chris was elected to the EY Americas Advisory Council, a body that has both governance and advisory roles providing direction to the America's Executive Board as it relates to EY policies, strategies, and other matters impacting the business throughout the Americas.

He is the former Assurance Practice leader for the Redwood Shores California office, a group of almost 200 professionals primarily focused on serving the Life Sciences industry.

Chris was admitted to the Price Waterhouse partnership in 1991. He completed a two-year research sabbatical for PwC, developing advanced AI based tools. He later developed the business plan to establish a Life Sciences practice in the western U.S. Funding and resources were approved, and he was appointed the leader of this new practice.

Chris is a CPA (California - retired) and was a member of the AIPCA and the California Society of CPAs. Chris served on the School of Accountancy Advisory Board at his alma mater San Diego State University.

## Herron, Susan

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**From:** Yolanda Wiehe <yolanda7777@rocketmail.com>  
**Sent:** Monday, May 31, 2021 11:03 PM  
**To:** Herron, Susan  
**Subject:** APPLICATION FOR THE AUDIT COMMITTEE from Yolanda Knaak

**Follow Up Flag:** Flag for follow up  
**Flag Status:** Flagged

Dear IVGUD Board of Trustees,

I would like to apply for the volunteer position on the audit committee. I understand that it is a 2 year term that starts July 1st, 2021.

I hope you would consider me for the position, I have lived in Incline Village for over 5 years and I am very involved in the community. I love

living here, I love the people and I love using the IVGID facilities.

Thank you,

Yolanda Knaak  
551 Lucille Dr  
Incline Village, 89451

Bio:

Education:

Mount St Mary's College. graduated in 1980 with a Bachelor's Degree in Nursing

UCLA graduated in 1987 with a Masters Degree in Nursing

Experience:

35 years working as an RN, of that, I had my own business for 3 years and I worked as a Supervisor of a Home Health Branch office for 4 1/2 years. I worked for Lodi Memorial Hospital and Home Health in their Galt Branch office and supervised 6 staff employees.

From 2015 until present, I have been managing 2 Nevada Family that includes investments of property, stocks, bonds and an annuity.

Derrek Aaron  
Incline Village, NV  
775.342.3834

June 2, 2021

Dear IVGID Board of Trustees:

My name is Derrek Aaron and I have been a full-time resident of Incline Village since 2008. I am currently an IVGID Audit Committee Member at-large serving a one year term and would like to apply for a second term. I regularly attend IVGID meetings and have a keen interest in the well-being and financial health of our community. Please find below a summary of my experience related to this role.

Audit and Accounting Experience:

- Passed CPA exam (2001) [license currently inactive]
- B.S Accounting – graduated Cum Laude
- 2 years of experience working for a regional public accounting firm in New York
  - Performed audits of non-profit organizations
- 5 years of experience as an accountant working in private industry

Project Management Experience

- 10 years of experience as a Sr. Systems Integration (IT) Project Manager for large scale Oracle ERP software projects managing multi-million dollar budgets with teams of up to 30 consultants
- Worked for Tier 1 consulting firms McKinsey & Co., Capgemini, Oracle Consulting
- Ability to communicate effectively with all levels of an organization from general business and IT staff up to senior level executive management
- Key focus on developing/fostering cross functional communication
- Contract Negotiation: extensive experience with full cycle business development, preparing RFP responses, oral presentations, contract/SOW negotiations (working with client and in-house legal staff) and sales close
- Solid track record of delivering stable projects per baseline schedule and within budget

Board and Committee Experience

- 26 years of overall Board experience
- Current positions:
  - IVGID Audit Committee (June 2020 – Present)
  - Board Treasurer of North Tahoe Arts, Tahoe City, CA (February 2020 – Present)
  - Board Treasurer of HOA (20 years running)
- Board Treasurer of FlyersRights.org (organization that drafted the FAA 3-hour tarmac rule)

Thank you very much for your consideration for a seat on the IVGID Audit Committee. I look forward to hearing from you soon.

Sincerely,

Derrek Aaron



# 1st electric boat charging station installed at Tahoe; Rides offered

Submitted to the Tribune

HOMEWOOD, Calif. — Homewood Resort's Marina is home to the first on-the-water electric boat charging station on Lake Tahoe.

Following in the footsteps of the automotive industry's transition to electric vehicles, the boating industry is moving in the same direction, with Homewood Resort's Marina and its management company, JMA Ventures, LLC, leading the transition at Lake Tahoe.

"We are excited to take this step into electric watersport recreation, and to be the first in Lake Tahoe to make it possible," said Kevin Mitchell, Homewood Resort's general manager in a press release. "This effort is perfectly aligned with the environmental goals of our resort, and our plans to revitalize the West Shore with the redevelopment of Homewood as a year-round adventure residential community that prioritizes environmental improvement and sustainable design."

The resort's redevelopment project's initial phase is slated to break ground this summer with state-of-the-art environmental redevelopment and stewardship practices. With this plan, the resort will set a benchmark showcasing how a thoughtfully designed redevelopment is the path for Tahoe's economic and environmental

well-being.

The installation of EB charging stations at the marina aligns with the resort's redevelopment by leading cutting-edge sustainability initiatives in the boating industry in Lake Tahoe.

In partnership with Ingenuity and Superior Boat Repair & Sales, beginning June 1 Marina guests can experience the world's first 100% electric watersport boat, the Super Air Nautique GS22E, powered by Ingenuity.

In 2020, backed by the support of the Tahoe Fund, the marina installed its first on-water charger and over the past year the marina has been working closely with local utilities to upgrade the charging service to power two 100KW Level 3 Fast DC chargers to their harbor.

"We have been working with the Ingenuity team on this project for over three years and protecting the unique natural resource of Lake Tahoe has always been our priority so installing an on-the-water EB charging stations at the Marina is 100% in alignment with our commitment," said David Topol, director of the Homewood Resort's Marina in the press release. "It's exciting to see this project come to life and provide an electric boat experience at our location this summer. We look forward to sharing this with everyone."

The battery-operated

zero-emission GS22E, developed by Nautique's Ingenuity Electric, was designed to meet the most rigorous watersports demands. The award-winning Ingenuity Electric system operates using clean energy that delivers optimal performance for watersports allowing for up to three hours of continuous run time during watersports.

Bob Bense, owner of Superior Boat Sales & Repair said the GS22E electric watersport boat is available for pre-purchase for others interested in owning one.

"Homewood is the perfect place to showcase how Ingenuity has combined the latest in environmentally friendly propulsion technology with one of the most demanding applications on the water ... the watersports boat," said Sean Marrero, president of Ingenuity. "We also decided early on to adopt automotive standards for charging. This has made it easy for Ingenuity to provide a menu of charging solutions for both residential and commercial applications like the one at Homewood. These are industry firsts, and boating enthusiasts who share our commitment to protecting the environment are going to be impressed by what the Nautique GS22E can do."

For more information on how to book a GS22E experience at Homewood Resort's Marina, visit <https://www.homewood-marina.net>.



An opportunity exists on the Audit Committee of the Incline Village General Improvement District effective July 1, 2021. The Incline Village General Improvement District Board of Trustees is seeking interested candidates who wish to serve a two-year term beginning no earlier than July 1, 2021 and ending no later than June 30, 2023. Any interested candidate should submit a letter of interest and a resume. These two documents can be submitted either via U.S. Mail addressed to District Clerk Susan Herron, IVGID, 893 Southwood Boulevard, Incline Village, Nevada 89451; or hand delivered to the aforementioned address; or submitted via e-mail ([sah@ivgid.org](mailto:sah@ivgid.org)). It is the interested parties' responsibility to ensure that their documents have been received for consideration. All submittals must be received no later than Tuesday, June 1, 2021 at 12 noon (PST).

Further, all interested parties' must be present and available at the Incline Village General Improvement District Board of Trustees meeting tentatively scheduled for June 9, 2021 at 6:00 p.m. and be prepared and available to be interviewed by the Board of Trustees. During this meeting, the Board of Trustees may make their final decision. If you have any questions regarding this matter, please contact Susan Herron, District Clerk, IVGID, at (775) 832-1207 or via e-mail at [sah@ivgid.org](mailto:sah@ivgid.org).



PROVIDED

Homewood's new electric watersport boat gets a charge before heading out onto the lake.



# LTCC to host in-person, traditional graduation ceremony

Staff Report

SOUTH LAKE TAHOE, Calif. — Lake Tahoe Community College announced Monday it will host a more traditional, in-person graduation ceremony this year on the soccer field.

Commencement is at 6 p.m. Friday, June 25.

Limited guests and college staff and faculty will be on hand to celebrate the Class of 2021. Students who graduated last year with the Class of 2020 are also welcomed back to this year's ceremony to enjoy a more traditional event with their loved ones.

"Walking across the stage to receive your diploma in front of family, friends, and the campus community is a timeless tradition that we're excited to bring back this year," said LTCC Superintendent/President Jeff DeFranco in a press release. "It's definitely a sign that we're closer to a return to normalcy, and we're glad our graduates from this year and last will be able to have that experience and memory to cherish."

On graduation day, entrance to the soccer field, located next to the Physical Education building on LTCC's campus, will be limited to graduates, guests with tickets in hand, and college administrators, staff, and faculty. Graduates are able to bring two guests each with the ability to request up to two more guest tickets. LTCC will do its best to accommodate graduate guest needs while limiting the number of people allowed on the field to meet California's crowd gathering requirements as of June 25.

All attendees must wear appropriate face masks that entirely cover the mouth and nose, regardless of their vaccination status. Seating will be distanced for guest safety and is general admission. Guests must show their tickets to enter the venue. Children wearing face masks are allowed at Commencement, and tickets are needed to allow entrance to children over age 2. All guests are required to follow distancing and mask wearing guidelines at all times during the ceremony. LTCC asks that all guests please remain in their seats during the entire ceremony.

To further ensure guest safety, professional photographers will be on hand to capture images of each graduate as they accept their diploma on stage. A second photo area will be set up immediately next to the stage for another professionally shot photo opportunity. Guests are asked to remain in their seats



PROVIDED

Lake Tahoe Community College will an in-person graduation ceremony in June.

during this time. Professional photos will be posted on [www.ltcc.edu/graduation](http://www.ltcc.edu/graduation) within a day or two of the ceremony, and graduates are welcome to download and share them with loved ones at no charge.

Large projection screens will be set up for viewing the stage from anywhere on the soccer field, and the entire ceremony will be livestreamed for those who cannot attend in person. The livestream link will be available at [www.ltcc.edu/graduation](http://www.ltcc.edu/graduation), and on LTCC's YouTube page.

Class of 2020 graduates who wish to join this year's ceremony are asked to contact LTCC's Office of Student Life via email at [studentlife@ltcc.edu](mailto:studentlife@ltcc.edu) to RSVP and to arrange for a cap, gown and tassel, if needed.

The keynote address this year will be delivered by storyteller, bestselling author and motivational speaker Liv Sain. Sain often speaks using her own background and personal story of struggles with various diagnoses to connect to her audience. Sain herself had great difficulties succeeding in education because of Tourette Syndrome, epilepsy, bipolar disorder, and other issues that many college students face. Sain has come to terms with and overcome these difficulties to find her own, particular voice as a speaker.

Sain is the founder of the LGBTQ support group The Butterfly Talks based in Orlando, Florida. She holds a Bachelor of Interdisciplinary Studies from the University of Central Florida. She is also the co-author of iBRAND: The Next Generation and iBRAND: LifePlan.

For more information, visit [www.ltcc.edu/graduation](http://www.ltcc.edu/graduation).

Source: LTCC



GENERAL IMPROVEMENT DISTRICT  
ONE DISTRICT ~ ONE TEAM

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Further, all interested parties' must be present and available at the Incline Village General Improvement District Board of Trustees meeting tentatively scheduled for June 9, 2021 at 6:00 p.m. and be prepared and available to be interviewed by the Board of Trustees. During this meeting, the Board of Trustees may make their final decision. If you have any questions regarding this matter, please contact Susan Herron, District Clerk, IVGID, at (775) 832-1207 or via e-mail at [sah@ivgid.org](mailto:sah@ivgid.org).

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[david.greco@pmrloans.com](mailto:david.greco@pmrloans.com)

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## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Tim Callicrate  
Board of Trustees Chairman

**THROUGH:** Indra Winquest  
District General Manager

Susan A. Herron  
District Clerk

**SUBJECT:** Review, discuss and possibly take action as it relates to Policy 15.1.0: Accounting, Auditing and Financial Reporting: Audit Committee; Organization: Confirm the two Board of Trustees appointments

**DATE:** June 1, 2021

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In accordance with Policy 15.1.0: Accounting, Auditing and Financial Reporting: Audit Committee; Organization, specifically the following two paragraphs, this item is brought forward for possible action.

*Annually, the Board of Trustees will appoint two Trustees to be voting members. Appointing Trustees to serve successive years increases the consistency and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall appoint a new member to the committee.*

*The voting Committee members are limited to two 2-year terms which may be extended in the event there are no interested and qualified applicants.*

At the January 22, 2020 Board of Trustees meeting, the Board of Trustees elected three members to serve on the Audit Committee – Trustees Callicrate, Dent and Schmitz. This election was done under the previously adopted Policy 15.1.0. When the updated Policy 15.1.0, attached hereto as a reference, was adopted on May 6, 2020, Trustee Callicrate resigned in accordance with the policy. On January 28, 2021, this item was brought forward and the Board of Trustees asked to defer it until June 2021. This item brings this matter back before the Board of Trustees as requested (excerpt of minutes are attached as a reference).

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Tim Callicrate  
Board Chairman

**FROM:** Audit Committee

**SUBJECT:** Review, discuss and possibly direct Staff to develop a scope of work and solicit bids to engage an attorney to refine and/or create policies to ensure the District is in compliance with Dillion's Rule related to employee benefits and for outside contractors

**DATE:** May 30, 2021

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### **I. RECOMMENDATION**

The Audit Committee made a recommendation to the Board of Trustees to engage a law firm to create specific policies and practices which address the various employee benefits as outlined in the November 30, 2020 legal opinion by legal counsel and that the Audit Committee recommend that the Board of Trustees engage a law firm to create specific policy and practice which addresses the payment of resources for meals to outside contractors.

### **II. BACKGROUND**

IVGID's Legal Counsel has expressed an opinion that the following Employee benefits are allowed by provisions of NRS 318.180, 318.185 and 318.210 and do not violate Dillion's Rule.

These benefits include:

- Venue Cards to employees
- Business Trips expense reimbursements
- Birthday Parties and related gift certificates
- Celebration expenses and the use of purchase Cards
- Rewards through IVGID "bucks" - Part of P.E.R.K program

Additionally, IVGID's Legal Counsel expressed an opinion that any Contractor meals while meeting with Staff, while permissible under Dillon's Rule as a business



expense, should be clarified in an explicit policy. A copy of this opinion is included as an attachment.

### **Cited authorities**

**NRS 318.180 Employees: Power to hire and retain.** The board shall have the power to **hire and retain** agents, employees, servants, engineers and attorneys, and any other persons necessary or desirable to effect the purposes of this chapter.

**NRS 318.185 Employees: Duties and compensation.** The board shall have the power to prescribe the duties of officers, agents, employees and servants, and fix their **compensation**.

**NRS 318.210 Implied powers.** The board shall have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this chapter. Such specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this chapter.

In April and May, 2020, two residents of Incline Village requested the Audit Committee seek legal counsel to investigate whether IVGID has the authority to approve expenditures which could be in direct violation of Dillon's Rule. Dillon's Rule requires expressed powers from the State of Nevada to make the questioned expenditures.

On June 30, 2020, Josh Nelson, IVGID's legal counsel, provided a presentation on his review and conclusions of IVGID's compliance with Dillon's Rule relating to the questioned expenditures brought forth by citizens. Mr. Nelson found that the IVGID had proper authority under Dillon's Rule, however, suggested that certain Board Policies be adopted to clarify the procedures and policies applicable to certain expenditures. Audit Committee member Schmitz asked Mr. Nelson to identify the policies that needed to be drafted or revised. Ms. Schmitz concluded the policy review might be a good next step.

On September 2, 2020, Mr. Nelson's June presentation was again reviewed by the Audit Committee. According to meeting minutes, the Audit Committee requested that Mr. Nelson provide a written opinion on his conclusions regarding the questioned expenditures and the opinion could then be posted on the District's website. Mr. Nelson requested that he provide his written opinion to the Audit

Review, discuss and possibly direct Staff to develop -3- a scope of work and solicit bids to engage an attorney to refine and/or create policies to ensure the District is in compliance with Dillion's Rule related to employee benefits and for outside contractors

May 30, 2021

Committee prior to the Audit Committee requesting an opinion from the Nevada Attorney General.

At large Audit Committee member Mr. Aaron asked Nelson if the list of staff expenditures was all inclusive and Mr. Nelson indicated it was limited to the 8 items listed in the citizens April and May correspondence.

On September 30, 2020, the agenda called for Mr. Nelson to present his written opinion which was not on Mr. Nelson's firm letterhead. At large Audit Committee member Mr. Tulloch requested the opinion be on Mr. Nelson's firm letterhead. The agenda item was postponed.

On November 19, 2020, Mr. Nelson's written opinion was reviewed by the Audit Committee and a request was made for Mr. Nelson to provide the content on each and every NRS Statute and Board Policy and Practice stated in his opinion. The agenda item was limited to only acknowledging receipt of Mr. Nelson's written opinion.

On March 11, 2021, the Audit Committee again reviewed the issue. After substantial discussion, the Audit Committee voted 4-1 (Tulloch) to recommend that the Board of Trustees engage a law firm to create specific policies and practices which address the various employee benefits noted above and that the Board of Trustees engage a law firm to create specific policy and practice which addresses the payment of resources for meals to outside contractors.

The Audit Committee discussed whether legal counsel or a separate law firm should be utilized. No direction was provided on this point and it was determined that the Board of Trustees should make this decision.

### **III. FINANCIAL IMPACT AND BUDGET**

The financial impact will include the cost of producing the policy updates. Those costs will be identified with the response to the requests for proposals.

### **IV. ALTERNATIVES**

Do nothing. This will continue the confusion on the Districts compliance to Dillion's Rule as it relates to certain employee benefits. Legal Counsel has recommended clarity in policy to include the definition of "reasonable" expenses.

Review, discuss and possibly direct Staff to develop -4- a scope of work and solicit bids to engage an attorney to refine and/or create policies to ensure the District is in compliance with Dillion's Rule related to employee benefits and for outside contractors

May 30, 2021

Engage a third party attorney after a request for proposals process to review and recommend updates to comply with Dillion's Rule related to employee benefits and contractors.

**V. COMMENTS**

None.

**VI. BUSINESS IMPACT**

Updates and clarifications may be needed for the employee benefits and related policy.

## MEMORANDUM

**TO:** Audit Committee

**FROM:** Josh Nelson  
Interim General Counsel

**REVIEWED BY:** Indra S. Winqest  
General Manager

**SUBJECT:** Legal Opinion for Community Correspondence  
Regarding Dillon's Rule

**DATE:** November 19, 2020

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Enclosed please find a re-formatted version of the legal opinion presented to the Audit Committee at its September 30<sup>th</sup> meeting. As requested, this opinion has been placed on my firm's letterhead. Please note that the memorandum includes some minor clean-up edits. Most notably and due to comments from a member of the community, the memorandum includes a citation to NRS 268.001. This has been added to clarify that this section does not modify my opinion.





## Memorandum

**To:** Audit Committee, Incline Village General Improvement District  
**From:** Josh Nelson, Best Best & Krieger LLP  
**Date:** November 10, 2020  
**Re:** Legal Opinion for Community Correspondence Regarding Dillon's Rule

### I. OVERVIEW

This memorandum provides a follow up to the presentations provided to the Audit Committee at its June 30, 2020 and September 1, 2020 meetings regarding Dillon's Rule and its application to IVGID. Specifically, this memorandum summarizes the issues discussed during the presentations and provides follow up regarding some of the specific subject areas that members of the public had questioned (*i.e.*, employee benefits and non-profit/community partnerships) in prior correspondence.

As explained below, NRS 318 provides authority to IVGID in three ways: (1) express substantive powers, (2) administrative powers, and (3) necessary and incidental powers. These powers clearly include the ability to provide recreational facilities and related services and programming. They also include the ability to provide various employee expense reimbursement and retention/recognition programs. Lastly, these powers include the ability to provide non-profit/community partnerships and support in furtherance of recreation or other express power.

### II. GENERAL RULE

#### A. Overview of Local Authority

As a number of community members have noted, IVGID and other local governments may only act as permitted by statute. (See *State v. Swift*, 11 Nev. 128, 140 (1876) ["Hence, a municipal corporation, in this state, is but the creature of the legislature, and derives all its powers, rights and franchises from legislative enactment or statutory implication."]; see generally *State ex rel. Harvey v. Second Judicial Dist. Court*, 117 Nev. 754, 773 (2001).) This is commonly known as "Dillon's Rule."<sup>1</sup> (See NRS 268.001

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<sup>1</sup> This memorandum uses this term given its use in the community. However, Dillon's Rule may be more accurately applied to general purpose local governments like counties or cities. Special districts like IVGID are inherently limited to providing those services and otherwise acting as permitted by statute. (See NRS 318.116.) However, NRS 266.001 clarifies that Dillon's Rule applies to "other local governments," which would include GIDs.



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[defining Dillon’s Rule].) While the Legislature has provided greater “home rule” authority to cities and counties, it has not done so for general improvement districts.

The courts have provided guidelines to help determine if a local government has the authority to act and where it may lack the ability to do so. For example, general principles of statutory interpretation apply. As such, “[i]t is well settled in Nevada that words in a statute should be given their plain meaning unless this violates the spirit of the act.” (*McKay v. Bd. of Supervisors*, 102 Nev. 644, 648, (1986). [citations omitted].) “Where the language of a statute is plain and unambiguous ... there is no room for construction, and the courts are not permitted to search for its meaning beyond the statute itself.” (*Charlie Brown Constr. Co. v. Boulder City*, 106 Nev. 497, 503 (1990), *overruled on other grounds by Calloway v. City of Reno*, 116 Nev. 250, 993 P.2d 1259 (2000) [internal citations omitted].) Lastly, “where a statute is susceptible to more than one interpretation it should be construed in line with what reason and public policy would indicate the legislature intended.” (*State, Dep’t of Mtr. Vehicles v. Lovett*, 110 Nev. 473, 477 [internal citations omitted].)

In addition, authorized powers must be interpreted consistently with other state law. If local action is expressly preempted by the state, the local government cannot act. (See *Lamb v. Mirin*, 90 Nev. 329 (1974).) Similarly, if the Legislature regulates an area, local action may not be permitted, even if it is not directly in conflict. (See *Falcke v. Douglas County*, 116 Nev. 583 (2000) [Legislature’s adoption of supermajority voting requirements in some areas prohibits locally adopted supermajority voting requirements in other areas].) The express authority to provide some types of services indicates an intent not to allow the agency to provide other types of services that are not listed. (2013 Nev. Op. Atty. Gen. No. 07, \*6)

Despite this, general grants of authority are interpreted broadly. In *Flores v. Las Vegas-Clark County Library District* (2018) 134 Nev. 827, 833, the Nevada Supreme Court held that the general authority for a library district to “[d]o all acts necessary for the orderly and efficient management and control of the library, see NRS 379.025(2)(f), and [e]stablish[ing] bylaws and regulations for the management of the library, see NRS 379.025(1)(h).” included the ability to ban firearms at libraries. This was true even though the Legislature expressly preempted towns, cities, and counties from regulating firearms. As library districts were not included within the express ban on local regulation, their general authority to operate libraries included the ability to ban firearms. Importantly, the Supreme Court recognized that other local governments had similar authority, including GIDs.

B. Powers Granted to IVGID in NRS 318



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IVGID's powers are generally set forth in NRS 318. (See generally Leg. Counsel Bureau, Background Paper 83-4, General Improvement Districts.) NRS 318 identifies three different types of powers that GIDs possess: (1) express substantive powers, (2) administrative powers, and (3) necessary and incidental powers.

For the first, NRS 318.116 identifies a number of services that GIDs may provide. Not all GIDs may provide all services identified in this section. Rather, GIDs must be authorized to provide each type of service. Under these rules, IVGID has been authorized to provide water, sewer, solid waste, and recreational services. Importantly, while NRS 318.116 generally refers to "furnishing" facilities, other portions of NRS 318 clarify that this includes operating these facilities and providing related services. (NRS 318.100(2) ["The district may also furnish services pertaining to any such basic power which the district may exercise."]; NRS 318.145 [operation of facilities].)

For the second, NRS 318 identifies administrative powers that GIDs may utilize when conducting business. For the third, NRS 318.210 recognizes that NRS 318 cannot exhaustively state all things that a GID may need to do and it grants GIDs all necessary and implied powers required to exercise their express powers. Specifically, it states that GIDs "...shall have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted in [NRS 318]. Such specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this chapter." Similarly, NRS 318.205 empowers GIDs to adopt bylaws "[f]or carrying on the business, objects and affairs of the board and of the district [and] [r]egulating the use or right of use of any project or improvement." In this regard, it is important to note other portions of NRS 318 which evidence a legislative intent to grant broad powers to GIDs. (NRS 318.015(1) ["For the accomplishment of these purposes the provisions of this chapter shall be broadly construed."]; 318.040 ["This chapter being necessary to secure the public health, safety, convenience and welfare, it shall be liberally construed to effect its purposes."].)

Based on the above, any question regarding whether IVGID has the ability to do something requires first asking which express power it falls under (either substantive or administrative). If the action does not fit squarely within an express power, one must ask whether it is "close enough" to an express power to fall under IVGID's incidental powers. As an example, IVGID could not operate a police department as NRS 318 does not authorize GIDs to operate public safety departments. In addition, this is so far removed from any express power in NRS 318 to qualify as an incidental power. (See 2013 Nev. Op. Atty. Gen. No. 07, \*6.) By contrast, suppose the question was whether IVGID could install a security camera at its water facilities to deter vandalism. In this case, while "installing a security camera" is not specifically identified in NRS 318, it is part of the



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water system and would be permissible (either as part of the express authority to provide water service or incidental to this express power). (NRS 318.144, 318.205, 318.210; *Las Vegas-Clark County Library District*, 134 Nev. at 833.)

**III. EMPLOYEE BENEFITS AND COMMUNITY PARTNERSHIPS**

When this matter was referred to our office for consideration, a list of eight specific questions were included. These questions identified a number of different situations for evaluation. These situations generally split into two categories: (1) employee benefit-related expenditures and (2) community/non-profit partnerships.

Applying the discussion above to these categories, one must first determine if they fall within an express power and if not, determine if they are permitted through IVGID's incidental powers. For employee benefit-related expenditures, IVGID's administrative powers grant broad authority to hire and compensate employees and contractors. (NRS 318.180, 185.) The power to compensate necessarily includes the ability to reimburse an employee for business expenses or operate an employee recognition program. Even if one argued that this was not within the express powers in NRS 318.180 and 318.185, it would be an incidental power or otherwise part of the general grant of authority to compensate employees. (See *Las Vegas-Clark County Library District*, 134 Nev. at 833.) Of course, all employee recognition and retention programs should be reasonable (as determined by the Board and General Manager) to ensure they serve a public purpose and are not substitutes for basic salary and other traditional compensation.

For community/non-profit partnerships, the NRS does not include an express power to make general *in kind* or monetary donations to non-profits or community groups.<sup>2</sup> In this respect, it is important to distinguish IVGID from cities and counties. These entities do have express authority to make these donations. (See NRS 244.1505, 268.028.<sup>3</sup>) Based on this, IVGID must look to its other powers for this authority.

Importantly, not all monetary or *in kind* support provided to local non-profits and community groups qualifies as a "donation." For example, IVGID contracts with the Diamond Peak Ski Education Foundation to provide ski team and ski race programs. This contract includes having IVGID provide ski passes and tickets to coaches and participants. These passes and tickets are not "donations" but consideration provided to the Foundation in exchange for it providing recreational services. Functionally, this would be the same as

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<sup>2</sup> One exception to this general rule is NRS 332.185. This authorizes all local governments to donate unneeded personal property to other local agencies or non-profits.

<sup>3</sup> This legislative authority is cited in the Attorney General Opinion included in the community correspondence. (See 2005 Nev. Op. Atty. Gen. No. 01 *overruled by* 2005 Nev. Op. Atty. Gen. No. 07.)



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hiring a contractor to provide a recreational program. (See NRS 318.143, 318.100.) Similarly, IVGID may lease office space to a non-profit at below market rent. This is likely permitted under NRS 318.160 which grants broad authority to lease property. Lastly, IVGID provides qualifying non-profits with venue space at no cost or reduced rates under Policy and Procedure Resolution No. 132/Resolution No. 1701. While this is permissible even if considered a “donation” as explained below, it also likely falls under the Board’s ability to charge fees and rates for the use of IVGID facilities. (NRS 318.197.)

That being said, any actual donations are most likely permitted under IVGID’s implied or incidental powers provided that they are in furtherance of some express IVGID power.<sup>4</sup> To that end, the Board of Trustees has adopted policies to this effect. In addition to Policy and Procedure Resolution No. 132/Resolution No. 1701, the Board adopted Policy and Procedure Resolution No. 110/Resolution No. 1493 which authorizes IVGID staff, with advance notice to the Board of Trustees, to make reasonable (*i.e.*, generally less than \$1,000) monetary expenditures to support community groups provided that the support is “...related to a purpose authorized by NRS Chapter 318, and delegated to IVGID thereunder.” Importantly, this must be in furtherance of some express power. General grants of funds are most likely impermissible absent express statutory authority. (See 2000 Nev. Op. Atty. Gen. No. 10.)

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<sup>4</sup> While not directly related to Dillon’s Rule, donations are permitted by the Nevada Constitution and general laws. (Nev. Const., art. 8, §§ 9-10; see also 2013 Nev. Op. Atty. Gen. No. 07.)



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Issue	Authorization	Discussion
Providing stale recreational merchandise to local charities.	NRS 318.143, 318.160, 318.205, 318.210	<p>-Based on our investigations, this has occasionally occurred when recreational staff has donated stale, unsold recreational merchandise to non-profits for fundraisers.</p> <p>-This would most likely be authorized as incidental to operating recreational programs as this stale merchandise has nominal market value. However, if viewed as a "donation," this would fall under the Board's authority to dispose of unused, unsold IVGID property.</p> <p>-However, there is not an explicit Board policy on this, and the Board of Trustees may wish to provide guidance.</p>
Providing below market rate rent to non-profit tenants.	NRS 318.160, 318.205, 318.210	<p>-This is permissible under IVGID's power to lease property.</p> <p>-Even if considered a "donation," it would be authorized as incidental to this express power.</p> <p>-Moreover, the lease at issue was approved by Board action.</p>
Providing venue cards to employees.	NRS 318.180, 318.185, 318.210	<p>-This is permissible and a common way to show appreciation for employees.</p> <p>-It is set forth in Personnel Policies 6.10, and this benefit is expressly "subject to change by the Board of Trustees and may be revoked if the privilege is abused by an employee and/or their qualified dependents."</p>
Sending employees on business trips and reimbursing business expenses, providing per	NRS 318.180, 318.185, 318.210	<p>-Employees commonly receive reimbursements for expenses associated with business travel. Reimbursements may be based on actual expenses or a per diem. IVGID's current policy complies with the requirements. (See Personnel Policies 7.) This policy requires receipts for actual reimbursement and an expense report for all travel cases. Employees must receive prior authorization for overnight travel from their supervisor.</p>



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diem reimbursement.		
Employee celebration expenses, including the use of purchase cards.	NRS 318.180, 318.185, 318.210	-Similar to rewards, this is a common way to show appreciation for employees. Celebration expenses should be reasonable cost ( <i>i.e.</i> , pizza parties). -IVGID has adopted a policy regarding the use of procurement cards. (See Personnel Policies 8.) This policy does not expressly discuss employee celebration expenses. However, “[a]ll purchases made with a District Procurement Card must be for the use and benefit of the District. No personal purchases are allowed.” In addition, the Board of Trustees assigns funds each year for this purpose. The Board of Trustees could adopt a specific policy if it wished.
Employee birthday parties and related gift certificates.	NRS 318.180, 318.185, 318.210	-Similar to rewards, this is a common way to show appreciation for employees. Celebration expenses should be reasonable ( <i>i.e.</i> , a nominal gift card for coffee). -In discussions with staff, the bulk of employee celebrations are funded by participating employees. Any IVGID funds are drawn from the funds assigned by the Board for employee recognition. Similar to the above, the Board of Trustees could adopt a specific policy if it wished.
Contractor meals while meeting with staff	NRS 318.180, 318.185, 318.210	-This is not explicitly covered by the existing employee reimbursement policy and has been traditionally authorized under the purchasing policy. -It would be permissible under Dillon’s Rule as compensation to a contractor or reimbursement to an employee of necessary business expenses. However, the Board of Trustees may wish to clarify this in an explicit policy. Note that there is a comment about this in the Board of Trustees’ handbook for business lunches.





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Employee rewards through IVGID "bucks"	NRS 318.180, 318.185, 318.210	-This is permissible and a common way to show appreciation for employees. -This is part of IVGID's P.E.R.K. program for seasonal employee recognition and retention. This program has been brought to the Board of Trustees in the past, including in February 2007.
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## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Tim Callicrate  
Board Chairman

**FROM:** Audit Committee

**SUBJECT:** Review, discuss and possibly direct Staff to price long term rentals and/or the lease of property at market rates, with the exception of non-profit organizations which would be provided a 10% discount. Additionally, to discuss and determine the direction for updating necessary policies

### **RELATED**

**POLICY:** Board Policy and Procedure Resolution 132/Resolution 1701 (attached); Pricing Policy (to be obtained from the Director of Finance)

**DATE:** May 24, 2021

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### **I. RECOMMENDATION**

The Audit Committee recommends to the Board of Trustees to price all venues for non-profits to cover full operating expenses and long term rentals and/or lease of property should be at market rates, if non-profit, less 10%.

To accomplish this recommendation would require Board Policy and Procedure Resolution 132/Resolution 1701 and the District's Pricing Policy to be updated.

The Audit Committee also discussed that to implement the recommendation, the Board may wish to direct legal counsel and Staff to revise current policies or direct staff to solicit proposals.

### **II. BACKGROUND**

NRS 268.001(2) states "In Nevada's jurisprudence, the Nevada Supreme Court has adopted and applied Dillon's Rule to county, city and other local governments". *Local governments* include General Improvement Districts (GIDs).

Review, discuss and possibly direct Staff to price -2-  
long term rentals and/or the lease of property at market  
rates, with the exception of non-profit organizations  
which would be provided a 10% discount. Additionally, to  
discuss and determine the direction for updating necessary policies

May 24, 2021

NRS provides clear evidence that donations are permissible by Counties (NRS 244.1505) and Cities (NRS 268.028). There is no language in NRS 318 (General Improvement Districts - GIDs) providing the expressed authority for GIDs to make donations of any kind.

Based on no expressed authority to make donations under NRS Chapter 318, a General Improvement District does not have the expressed power to provide cash or in-kind donations to non-profit organizations and such authority can only be drawn from implied or assumed authority in other sections of NRS.

Contained in the November 10<sup>th</sup>, 2020 memorandum from District Legal Counsel, it was stated that “actual donations are most likely permitted under IVGID's implied or incidental powers provided that they are in furtherance of some express IVGID power. To that end, the Board of Trustees has adopted policies to this effect. In addition to Policy and Procedure Resolution No. 132/Resolution No. 1701, the Board adopted Policy and Procedure Resolution No. 110/Resolution No. 1493 which authorizes IVGID staff, with advance notice to the Board of Trustees, to make reasonable (i.e., generally less than \$1,000) monetary expenditures to support community groups provided that the support is " ... related to a purpose authorized by NRS Chapter 318, and delegated to IVG ID thereunder." Importantly, this must in furtherance of some express power. General grants of funds are most likely impermissible absent express statutory authority. (See 2000 Nev. Op. Atty. Gen. No. 10.)”

Board of Trustees Policy and Procedure Resolution 132, Resolution 1701 assumes that through the use of "yield management" it provides a fair rental value for the facilities to be used by non-profits. In other words, since the facility or venue is not being utilized any amount of revenue received is fair. Since most non-profits plan their events far in advance of the actual event day, IVGID staff does not have any knowledge that a facility or venue would not be used on a future date. In addition, if yield management is the objective to obtain maximum revenues, then the unused facility or venue must be made to all, not limited to non-profits. Such an approach to limiting the use of yield management to non-profits would be discriminatory.

The Audit Committee determined the Audit Committee should not make a decision on the validity of an opinion from IVGID legal counsel when a remedy is provided in Nevada Revised Statutes and instead is bringing this issue to the attention of the Board of Trustees.

## Further Background Information

On June 30, 2020, Josh Nelson, IVGID's Legal Counsel, provided a presentation on his review and conclusions of IVGID's compliance with Dillon's Rule relating to the questioned expenditures brought forth by citizens. Mr. Nelson found that the IVGID had proper authority under Dillon's Rule, however, suggested that certain Board Policies be adopted to allow certain expenditures. Audit Committee member Schmitz asked Mr. Nelson to identify the policies that needed to be drafted or revised. Ms. Schmitz concluded the policy review might be a good next step.

On September 2, 2020, Mr. Nelson's June presentation was again reviewed by the Audit Committee. According to meeting minutes, the Audit Committee purported to request that Mr. Nelson provide a written opinion on his conclusions regarding the questioned expenditures and the opinion could then be posted on the District's website. Mr. Nelson requested that he provide his written opinion to the Audit Committee prior to the Audit Committee requesting an opinion from the Nevada Attorney General.

At large Audit Committee member Mr. Aaron asked Mr. Nelson if the list of staff expenditures was all inclusive and Mr. Nelson indicated it was limited to the 8 items listed in the citizens April and May correspondence.

On September 30, 2020, the agenda called for Mr. Nelson to present his written opinion which was not on Nelson's firm letterhead. At large Audit Committee member Mr. Tulloch requested the opinion be on Mr. Nelson's firm letterhead. The agenda item was postponed.

On November 19, 2020, Mr. Nelson's written opinion was reviewed by the Audit Committee and a request was made for Mr. Nelson to provide the content on each and every NRS Statute and Board Policy and Practice stated in his opinion. The agenda item was limited to only acknowledging receipt of Mr. Nelson's written opinion.

In the November 10, 2020 written opinion by IVGID's Legal Counsel ANY IVGID property which is leased to a non-profit organization at below market rates is allowed under NRS chapter 318.

The authorities cited for leasing property were:

***NRS 318.160 Acquisition and disposal of and encumbrances on property. Except as otherwise provided in NRS 318.512 to 318.5126,***



*inclusive, the board shall have the power to acquire, dispose of and encumber real and personal property, and any interest therein, including leases, easements, and revenues derived from the operation thereof.*

***NRS 318.210 Implied powers.*** *The board shall have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this chapter. Such specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this chapter*

- Creating a benefit for non-profits by providing below market rents would be considered an "in kind donations". IVGID's Legal Counsel states: "Even if considered a "donation" it would be authorized as incidental to this express power" (leasing of property) under NRS 318-160 and NRS 318.210 would apply as the below market rents would be 'incidental' as to the basic powers to lease property under NRS. 318.160.

Further and as discussed with the Audit Committee, IVGID's legal counsel believes the power to provide access to IVGID recreational venues at "below market" rates is authorized by IVGID's powers to set and charge fees for access to recreational facilities. (NRS 318.197.)

***NRS 318.205 Bylaws.*** *The board shall have the power to adopt and amend bylaws, not in conflict with the Constitution and laws of the State:*

- 1. For carrying on the business, objects and affairs of the board and of the district.*
- 2. Regulating the use or right of use of any project or improvement.*  
*(Added to NRS by [1959, 465](#); A [1967, 1715](#))*

At its March 11, 2021 meeting, the Audit Committee again reviewed the issue and recommended that the Board of Trustees to price all venues for non-profits to cover full operating expenses and long-term rentals and leases of property should be at market rates, if non-profit, less 10%. This motion was approved 4-0-1 (Aaron).

This item provides an opportunity for the Board to consider and act on the Audit Committee's recommendation. To implement the recommendation, the Board may wish to direct legal counsel and Staff to revise current policies or direct staff to solicit proposals from special counsel to do so.

Review, discuss and possibly direct Staff to price -5-  
long term rentals and/or the lease of property at market  
rates, with the exception of non-profit organizations  
which would be provided a 10% discount. Additionally, to  
discuss and determine the direction for updating necessary policies

May 24, 2021

#### **IV. FINANCIAL IMPACT AND BUDGET**

Updating pricing policies for non-profits and all venue offerings would improve the financial sustainability of the District's venues and reduce the reliance on the Community Services Facility Fee for operational expenses.

#### **V. ALTERNATIVES**

Do nothing which continues the confusion on the Districts compliance to Dillion's Rule as it relates to District pricing policies.

Engage an attorney to review and recommend updates to comply with Dillion's Rule and the direction of the Board related to pricing policies.

#### **VI. COMMENTS**

None.

#### **VII. BUSINESS IMPACT**

A change of policy would impact the point of sale systems. Additionally, updating the policies would bring clarity to the discounts offered to non-profits.



## Policy and Procedure Resolution No. 132 Resolution No. 1701

### USE OF IVGID FACILITIES BY QUALIFIED LOCAL NON-PROFIT, VOLUNTEER ORGANIZATION, NATIONAL ORGANIZATION WITH A LOCAL CHAPTER, OR ACTIVITY BASED IN OR BENEFITTING INCLINE VILLAGE/CRYSTAL BAY, NORTH TAHOE REGION, GOVERNMENT AGENCY, OR A LOCAL SCHOOL, THAT ADMINISTERS AND CONDUCTS THE ACTIVITY THEMSELVES

**WHEREAS**, the Incline Village General Improvement District (IVGID) receives requests for activities at its facilities by local non-profit, volunteer organization, national organization with a local chapter, or activity based in or benefitting Incline Village/Crystal Bay, North Tahoe Region, government agency, or a local school, that administers and conducts the activity themselves; and

**WHEREAS**, it is necessary to establish policies governing the activities that may take place at IVGID's facilities, to guide staff in administering a consistent policy throughout IVGID;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Incline Village General Improvement District that activities that fit within the following criteria will be allowed, upon approval by the appropriate level of management up to and including the Board of Trustees.

#### POLICY AND PROCEDURE STEP 1 APPLICABLE TO ALL ACTIVITIES

1. The sponsor must be a qualified local non-profit, volunteer organization, national organization with a local chapter, or activity (as outlined later in this document) based in or benefitting Incline Village/Crystal Bay, North Tahoe Region, government agency, or a local school, that administers and conducts the activity themselves.
2. Request will be considered on a first-come, first-served basis and use of District facilities will be evaluated on a venue by venue basis balancing capacity and the resident's needs as the key criteria. All requests will be made to the applicable District Venue Manager.
3. The activity must not be for commercial or personal gain with the exception that business collaboration results in advertisements and its benefit to business.
4. The activity must be overseen by the sponsoring organization and a lead individual identified to handle details up and through the day of the event. This person must be someone who is in attendance at all times the day of the event.
5. IVGID will have no responsibility for the administration of the event or for the funds collected by the activity.





## Policy and Procedure Resolution No. 132 Resolution No. 1701

6. When applicable, the sponsor must provide insurance, list IVGID as an additional insured (when applicable) and any other paperwork required by the District Risk Manager.
7. The sponsor of the activity will agree to indemnify and hold the District harmless from any claims arising out of the activity.
8. The profits derived from the activity must materially benefit the community of Incline Village/Crystal Bay, and be used within the North Tahoe Basin for the length of their useful life.
9. A signed contract and applicable paperwork are to be executed not less than thirty (30) days prior to the event. If the event is cancelled within 30 days of the event, the deposit may be forfeited.
10. Qualified, non-profit, volunteer organization or activity requests are to be ranked and evaluated in accordance with the Internal Revenue Service (IRS) Code as follows:
  - a. IRS Code 501(c) (3), tax-exempt organizations. The organization description must fit one of the following: Charitable, religious, educational, scientific, literary, and testing for Public Safety, foster national or international amateur sports, or prevention of cruelty to children or animals.
  - b. Other tax-exempt IRS Code 501 (c) organizations, such as Civic Leagues, Social Welfare Organizations, Labor, Agricultural, and Horticultural organization, Business Leagues, Veterans' Organization, and Chamber of Commerce.
11. In all cases, an IRS letter of determination is to be provided to the District (or on file with the District) as documentation of status. The letter of determination shall be provided at the time of request.
12. All events, as a minimum, will be charged a \$50 Administrative charge which is to cover the required paperwork, etc.
13. The attached application is required for each event and is herewith incorporated and made effective as of July 1, 2013.
14. During the budget cycle, the Board of Trustees approves the District's Key Rates which include the rack rate for each District venue. This is the guiding document for each District Venue Manager to make their discounting decision, using yield management, for each event/venue.
15. Within sixty (60) days of the conclusion of the activity, the sponsoring organization must submit a financial statement to the District Venue Manager, giving details of income and expenses for the activity and expected contributions to the beneficiary(ies). If sponsor





## Policy and Procedure Resolution No. 132 Resolution No. 1701

does not provide an activity financial statement within the stated timeframes, they will not be allowed to hold another activity at District facilities for one year.

16. A report, for Fiscal Year 2013/2014, shall be provided to the Board of Trustees no later than September 30, 2014.

### POLICY AND PROCEDURE STEP 2 APPLICABLE SPECIFIC REQUIREMENT FOR EACH OF THE DISTRICT VENUES

#### GOLF VENUES

1. The sponsor must apply in advance, in writing, to the District Venue Manager. The following is to be included in the request:
  - a. Details of the activity (including, but not limited to, proposed date of activity, proposed venue, etc.)
  - b. Projected finances and how funds are to be distributed
  - c. Beneficiary of the event (who is it and where do they reside)
  - d. Geographical area served
  - e. IRS Letter of Determination
2. Availability of Golf Courses
  - a. Golf activities: It is strongly recommended that charity tournaments be held prior to June 15 and after September 15 on the Championship Course.
  - b. Golf activities: It is strongly recommended that charity tournaments be held prior to July 1 and after September 15 on the Mountain Course.
  - c. Should a charity tournament desire a date before or after those listed in a. or b. above, it is the representative's responsibility to discuss their desire with the District Venue Manager who will make the determination.
3. Charges To Use Each Golf Course
  - a. Golf activities will be charged on the Championship Golf Course as determined during the annual budget process.
  - b. The Mountain Golf Course will be offered as determined during the annual budget process.
4. Event organizers shall be encouraged to plan golf activities on Mondays through Thursdays in the afternoon.



## Policy and Procedure Resolution No. 132 Resolution No. 1701

5. If the activity is cancelled ninety (90) days prior to the scheduled activity, the group will forfeit their deposit fee.

### CHATEAU AND ASPEN GROVE VENUES

The following shall apply in addition to Policy and Procedure Step 1. listed above. The full rack rate prices in place is the basis for the non-profit discounting as outlined below for high season and low season (Blackout dates apply to high season dates). The Chateau and Aspen Grove Facilities, discounts to non profits will be set each year during the budget process.

At the discretion of the Chateau and Aspen Grove sales team, with the approval of the Sales Manager and/or the Director of Finance, Accounting and Risk Management greater discounting or a further advanced reservation can occur if the following conditions exist:

- (a) The date being requested is unsold; **and**
- (b) the likelihood of selling the date is quickly diminishing; **and**
- (c) the activity will engage in other District ancillary revenue producing areas such as catering and golf outings during the activity.

High and Low season and Midweek dates are defined as follows:

High Season dates are May through October and December

- Mid-week (Monday through Thursday) may be reserved up to 3 months prior to the requested date
- Friday and Sunday may be reserved up to 2 months prior to the requested date

Low Season dates January through April and November

- Mid-week (Monday through Thursday) may be reserved up to 6 months prior to the requested date
- Friday, Sunday and Holidays may be reserved up to 2 months prior to the requested date

Blackout Dates are High Season dates Friday through Sunday that are charged at the full rack rate. Discounting may be available at the discretion of the District General Manager

Saturdays and Holidays may be made available at the discretion of the District General Manager.

### DIAMOND PEAK SKI RESORT (EXCLUDING SNOWFLAKE LODGE)

The following shall apply in addition to the Policy and Procedure Step 1. listed above. The use of Diamond Peak Ski Resort for activities will be at the discretion of the Venue Manager. The time of the year, capacity and the availability of Diamond Peak resort and its facilities will be factors for consideration for discounting.



**Policy and Procedure Resolution No. 132  
Resolution No. 1701**

Snowflake Lodge, whose use is already limited by a Tahoe Regional Planning Agency use permit, is excluded from this resolution.

**PARKS AND RECREATION VENUES (EXCLUDING BEACHES)**

The following shall apply in addition to the Policy and Procedure Step 1. listed above. The use of Parks, Recreation Center, and Tennis Courts for activities will be at the discretion of the Venue Manager. The time of the year, capacity and availability of recreational facilities will be factors for consideration for discounting.


**ALL BEACHES**

All of the beaches within the Incline Village General Improvement District have restricted access and are available for the exclusive use of the Incline Village property owners. On a case by case basis, uses of the beaches by a qualified, non-profit, volunteer organization or activity based in Incline Village will be directed, for possible consideration, to the District Venue Manager.

\* \* \* \* \*

I hereby certify that the foregoing is a full, true and correct copy of Policy and Procedure Resolution No. 132, Resolution No. 1701, as amended at a regular meeting of the Board of Trustees of the Incline Village General Improvement District on the 10th day of July, 2013, by the following vote:

AYES, and in favor thereof, Trustees: Trustees Joe Wolfe, Bill Devine, Bruce Simonian, Jim Smith and Jim Hammerel  
NOES, Trustees: None  
ABSENT, Trustees: None

  
\_\_\_\_\_  
Jim Smith, Secretary

POLICY AND PROCEDURE RESOLUTION NO. 132, RESOLUTION NO. 1701  
As amended April 12, 2000  
As amended April 30, 2003  
As amended May 15, 2003  
As amended February 25, 2004  
As amended October 11, 2006  
As amended June 27, 2007  
As amended July 10, 2013



POLICY AND PROCEDURE RESOLUTION 132, RESOLUTION 1701  
APPLICATION

Organization Name:

Contact Name:

Address (Mailing):

City, State & Zip Code:

E-Mail Address:

Telephone Number:

EIN#/Taxpayer ID#:

Venue/Location:

Date(s) of Event:

Time Range:

Qualify as a 501(c)3  Yes  No  
OR

Qualify as a Non-Profit  Yes  No  
OR

Volunteer Organization  Yes  No

← If yes, please attach a copy of the organization's IRS Determination Letter or a copy of the last Form 990 filed with the IRS.

Service Objective and Beneficiaries:

Confirm no commercial or personal gain comes from Event (Resolution, paragraph 2)  Yes  No

Confirm organization will post Certificate of Insurance to IVGID (Resolution, paragraph 6.)  Yes  No

Confirm organization agrees to indemnify and hold IVGID harmless (Resolution, paragraph 7.)  Yes  No

Confirm that organization complied with financial records (Resolution, paragraph 15)  Yes  No

Rack Rate for Venue/Location requested:

*(Based on Board approved Key Rates)*

Yield Management (Comment/Remark):

Charge approved by Venue Manager for this Event:

*(\$50 minimum) (Coded to 4293)*

Venue Manager Signature and Date: \_\_\_\_\_

Administrative Concurrence: \_\_\_\_\_

*(General Manager or designee, Signature & Date)*

Distribution: Public Records Officer, Director of Finance, Controller, Venue Manager

# Strategic Plan

Fiscal Years 2021/2022 and 2022/2023





Board of Trustees



**Tim Callicrate**  
CHAIRMAN



**Matthew Dent**  
VICE  
CHAIRMAN



**Michaela  
Tonking**  
TREASURER



**Sara Schmitz**  
SECRETARY



**Kendra Wong**  
TRUSTEE

Senior Management Team

Insert photos and names

Winqest

Herron

Navazio

Feore

Underwood

Howard

Bandelin



## Introduction

The Incline Village General Improvement District Strategic Plan provides direction and a planned pursuit of the mission, vision, values, long range principles and objectives and actions of the District from July 1, 2021 to June 30, 2023.

This plan reflects the District's desire to become more strategic and less tactical as the next logical step in the organization's life cycle and planning evolution.

Strategic Planning is a systematic approach to defining longer term principles and identifying the means to achieve them. It provides the District with the ability to channel resources in a direction that yields the greatest benefit to residents, constituents and guests.

The intent of the plan is to identify long range principles that align activities with the strategy of the District. It provides a framework to ensure that a balanced approach toward addressing objectives of District residents, finances, internal processes and learning and growth of employees is integrated into the plan.

The strategic planning process enables the District to plan and execute continuous improvements throughout the organization.

### The benefits of strategic planning include:

- Focuses the District's resources on activities that are essential to increasing customer satisfaction, lowering costs, increasing value and achieving measurable outcomes.
- Creates a planning and implementation system that is responsive, flexible, and disciplined.
- Encourages cooperation and support among all District functions.
- Reinforces the continuous improvement culture of the District.
- Empowers managers and employees by providing them with the authority to fulfill planned activities.
- Provides for more seamless internal and external customer service.
- Defines and describes the District's key strategies. As a result, employees and community members know where the District is headed.

## Strategic Planning Process

Board of Trustees Policy 1.1.0 states:

*The Incline Village General Improvement District recognizes the importance of using some form of strategic planning to provide a long-term perspective for service delivery and budgeting, thus establishing logical links between authorized spending and broad organizational goals. While there is not a single best approach to strategic planning, a sound strategic planning process will include the following key steps:*

- 0.1 Initiate the Strategic Planning Process*
- 0.2 Prepare a Mission Statement*
- 0.3 Assess Environmental Factors*
- 0.4 Identify Critical Issues*
- 0.5 Agree on a Small Number of Long Range Principles*
- 0.6 Develop Strategies to Achieve Long Range Principles*
- 0.7 Develop Objectives*
- 0.8 Create an Action Plan*
- 0.9 Incorporate Performance Measures*
- 0.10 Obtain Approval of the Plan*
- 0.11 Implement the Plan*
- 0.12 Monitor Progress*
- 0.13 Reassess the Strategic Plan*

### Key Dates in the History of the Strategic Plan

The Board of Trustees initiated the process in February 2015. After a lengthy and exhaustive process, the Board finalized updated Mission, Vision, Value and Mantra statements. The Board reviewed revised long range principles and objectives. On September 3, 2015 the Board reviewed the Final Draft Strategic Plan.

The 2015-2017 Strategic Plan was adopted at the September 23, 2015 Board of Trustees meeting. The 2018-2020 Strategic Plan was adopted at the May 9, 2018 Board of Trustees meeting.

## District Statements

### IVGID's Vision Statement

With passion for quality of life and our environment, Incline Village General Improvement District will enhance the reputation of our community as an exceptional place to live, work, invest, and play.

### IVGID's Mission Statement

The Incline Village General Improvement District delivers exemplary recreational experiences and provides the highest level of water, sewer, and solid waste services while striving for fiscal and environmental sustainability.

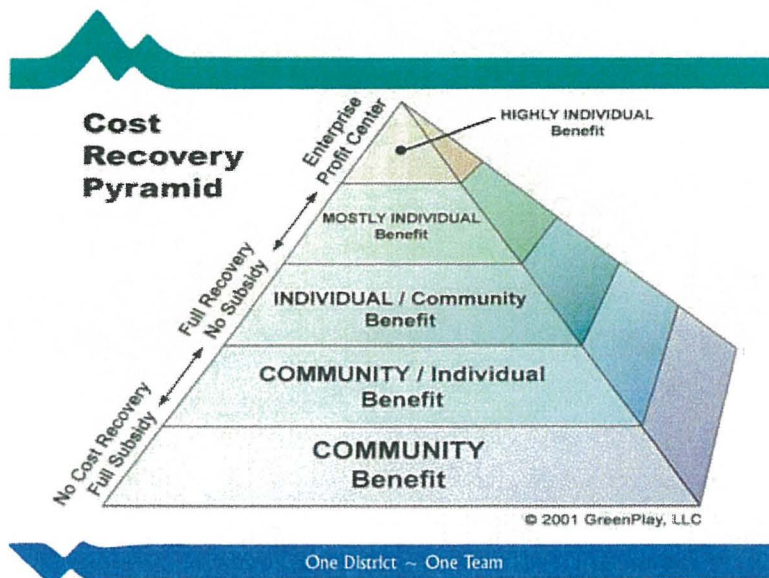
### IVGID's Value Statement

We are dedicated people providing quality service, for our community and environment, with integrity and teamwork.

### IVGID's Mantra Statement

One District • One Team

### IVGID's Cost Recovery Pyramid



## LONG RANGE DISTRICT PRINCIPLES

### **LONG RANGE PRINCIPLE #1 Resources and Environment**

Initiating and maintaining effective practices of environmental sustainability for a healthy environment, a strong community and a lasting legacy.

- Promote and protect Lake Tahoe and other water sources in the Basin as viable sources of drinking water. Promote responsible use of water as a valuable natural resource.
- Develop, implement and maintain an effective watershed control program in order to satisfy recommendations in watershed sanitary surveys, advocate for the protection of Lake Tahoe as a viable source of drinking water and to satisfy additional State and Federal requirements
- Encourage integrated regional strategies for the planning, design, construction and implementation of water system infrastructure for fire suppression

#### Objectives for 2021-2023

1. Execute the goals of the Tahoe Water Suppliers Association to meet Federal and State requirements for filtration avoidance and other requirements; promulgated by the Surface Water Treatment Rule and its amendments.
2. Enter into available Grant Agreements with the South Tahoe Public Utility District as a member of the Lake Tahoe Community Fire Prevention Partnership. This partnership was formed out of the member agencies of the Tahoe Water Supplier's Association and its purpose is to obtain appropriations from the Federal Government through the United States Forest Service for planning, design, and construction of water system improvements that have a direct relationship to wildland fire suppression.
3. Continue Legislative Advocacy efforts at the Federal Government level to support appropriations for water and wastewater infrastructure improvements that support Principle 1 and Principle 5.
4. Participate in the Tahoe Water for Fire Suppression Partnership. This Partnership will be working with the Regional Fire Districts to submit water system projects for improving fire suppression in the Tahoe Basin.
5. In partnership with the North Lake Tahoe Fire Protection District, protect District lands and the Lake Tahoe Basin watershed by performing defensible space best management practices.

#### Budgeted Initiatives for 2021-2023

- A. Operate a residential drop-off household hazardous waste and electronic waste facility or events to reduce the amount of hazardous materials entering the waste stream and landfills and to provide our residents with a convenient local facility. This program will be funded by the Solid Waste Franchise Fee.
- B. Continue membership in the Tahoe Water Suppliers Association and provide the services of Association Director by IVGID staff to execute the goals of the Association for 2021-2023 including the completion of the Annual Watershed Control Program Report.
- C. Submit District Fireflow Enhancement Projects to the Tahoe Water for Fire Suppression Partnership (which the District is a member) for prioritization and ranking. The Tahoe Water for Fire Suppression Partnership submits the priority projects to the United States Forest Service for consideration to obtain funding through the Lake Tahoe Restoration Act.
- D. Provide bear shed rebates for new homeowners in the service area to contain putrescible waste in a safe manner.
- E. Provide water efficiency rebates to customers for the installation of a high efficiency toilet or washing machine.

## LONG RANGE PRINCIPLE #2

### Finance

The District will ensure fiscal responsibility and sustainability of service capacities through prudent fiscal management and maintaining effective financial policies for operating budgets, fund balances, capital improvement and debt management.

- Develop and maintain a long-term plan to sustain financial resources.
- Ensure budgets that utilize recurring revenues to cover ongoing costs and limits use of one-time funds to support one-time expenditures.
- Report results and demonstrate value to the community through regular financial reporting and related performance management metrics.
- Comply with State and Federal regulations.
- Adhere to Government Generally Accepted Accounting Principles.

#### Objectives for 2021 - 2023

1. Prepare Annual Budgets that demonstrate the balance of allocated resources, with service expectations, and the capability to deliver.
2. Prepare a five-year forecasts for each fund for operations, capital improvement and debt service as a part of the annual budget development process.
3. Utilize annual and interim financial reports to build understanding of the different aspects between operations, capital improvement and debt service, and promote fiscal transparency through use of the OpenGov website
3. Work with Board of Trustees to identify Board Policies related to the Finances of the District that need updating, elimination, or creation
4. Continue the refinement of appropriate performance measurement to demonstrate quality as well as quantity.
5. Consider updating Board Policies and Practices relating to Budget and Fiscal Management

#### Budgeted Initiatives for 2021 - 2022

- A. Transition financial reporting for Community Services and Beach activities from Special Revenue to Enterprise fund accounting for the 2021/2022 fiscal year in order to better support full-cost recovery objectives for operating, capital and debt expenditures.
- B. Work with Board of Trustees to implement District-wide pricing policy, to ensure desired cost recovery and policy-driven differential pricing for residents, guest and non-residents.

- C. Review the allocation of Facility Fees assessed on parcels within the District, including components for operations, capital expenditure and debt service.
- D. Prepare the required Comprehensive Annual Financial Report, with an independent auditor opinion, to provide financial position and results of operations to a variety of users and information needs.
- B. Comply with Nevada Revised Statutes and Administrative Code requirement for the budget process, indebtedness reporting, and the annual audit.
- C. Complete comprehensive review of District's internal control policies and procedures to ensure sound fiscal management, integrity of financial information and safeguard the District's assets and financial resources.
- D. Actively manage financial planning and reporting to inform decision making to sustain a strong financial base for operations, while increasing net assets, and maintaining care and condition of capital assets and infrastructure.
  - 1. Prepare standard format and popular reporting presentations of financial position and activity results about budget to actual to inform users on:
    - a) Operations and Programming
    - b) Capital Project Expenditure Status
    - c) Fund Balance, actual and projected, in relation to budgets and Board direction
    - d) Relevant Performance Measures
  - 2. Utilize OpenGov on the District's Financial Transparency website to provide ready access to a variety of reports and information to support a greater level of detail than standard reports allow.
  - 3. Present annual results and planned budgeted activity to the community through presentations consistent with the Board of Trustees' direction.
- E. Implement transition to new Tyler Munis enterprise financial system to enhance management and oversight of District finances, improve workflow process and strengthen internal controls. .



## **LONG RANGE PRINCIPLE #3**

### **Workforce**

Attract, maintain and retain a highly qualified, motivated and productive workforce to meet the needs of District venues:

- Staff will evaluate open position job descriptions to ensure regulatory compliance in language, for workforce needs, and related compensation for the position.
- Re-evaluate, during the budget process, the optimum level of Staff and related total compensation, necessary to each department based on industry standard and levels of service.
- Comply with State and Federal regulations.
- Continue to provide a safe environment and continue to strive for low worker's compensation incidents through ongoing and targeted safety training.
- Identify individuals for talent management opportunities to ensure continued retention and growth for management succession within the District.
- Work with Staff to improve employee engagement and culture through focused performance management goals, engagement participation and incentives.

#### Objectives for 2021-2023

1. In order to remain competitive, use the rotating schedule for evaluating each position to ensure District is competitive with its total compensation and benchmarks.
2. Begin implementation of new Human Resources system for better efficiencies and automation. Work closely with the IT Department to develop online training opportunities for new managers and employees.
3. Work with Board of Trustees to identify Board Policies related to the District Workforce and Human Resources that need updating, elimination, or creation.
4. Continue encompassing employee engagement participation for measured performance measurement of goals and objectives. Set increases that correlate directly with goals and engagement measures.
5. Educate Management Staff through targeted trainings on how to manage, engage, educate and foster better communication with employees. Ensure emphasis is on employee retention.
6. Analyze current recruiting trends to meet the challenges of hiring top candidates for open

positions. Closely partner with Management Staff to ensure specific hiring needs are unambiguous and attainable. Create interactive system to ensure viable candidates remain engaged throughout the recruitment process.

### Budgeted Initiatives for 2021-2023

- A. Review budget, number of positions to salary and benefits and conduct surveys to ensure we are making every effort to attract, maintain and retain qualified employees across the District and all statuses.
- B. Understand the potential financial impacts of staffing, hourly wages, increased minimum wage and retention of year round employment changes at current recreational exemption status.
- C. Conduct Management trainings at various times throughout the year to bring awareness to communication, the impact managers have on their employees and educate management and staff on Federal, State and our own personnel policies.
- D. Continue to monitor updates and changes from Federal, State and local authorities regarding changing regulations related to the COVID-19 pandemic. Ensure prompt communication with IVGID management.

## **LONG RANGE PRINCIPLE #4**

### **Service**

The District will provide superior quality service and value to its customers through responsible stewardship of District resources and assets.

- Provide well defined customer centric service levels consistent with fiscal goals, and community expectations.
- Apply Performance Management to meet or exceed established venue customer service levels.
- Utilize best practice standards for delivery of services and re-evaluate every year.
- Commit to evaluate customer loyalty/satisfaction to demonstrate the value of results.
- Maintain customer service training and resources for new, returning and existing employees.

#### Objectives for 2021-2023

1. Continue to establish, enhance and evaluate metrics through key performance indicators for each venue.
2. Continue to establish and enhance specific performance indicators to evaluate customer loyalty/satisfaction.
3. Work with the golf community to establish a sustainable long term financial and service model for the Districts Golf Courses
4. Analyze the net effect of established service levels on the District operations, apply changes as needed, and encourage/reward continuation of appropriate performance.
5. Utilize venue and/or community surveys to evaluate and measure customer service as it relates to existing service level demands.
6. Develop a short and long term strategy to utilize the community services master plans as a service level metric and roadmap for the future.
7. Develop a service level strategy as related to the current project priorities directed by the Board of Trustees to include operational analysis.

#### Budgeted Initiatives for 2021-2023

- A. Each venue has time budgeted for new, returning and existing employees to participate in Customer Service Training. (Comments on overhauling and fresh new approach to this)

- B. Understand, communicate and demonstrate service level baselines at each venue. The emphasis is on providing the best, most consistent customer experiences.
- C. The District is continuing the Customer Care program for all of Community Services, which includes empowerment for any actions that generate a hard cost to remedy a customer satisfaction issue.
- D. Seek venue specific community feedback to determine customer satisfaction.
- E. Gain an understanding of how service levels are impacted by recruitment challenges and develop strategies to limit these impacts when experienced.
- F. Utilize employee surveys to further define areas of improvement as well as celebrate successes.

## **LONG RANGE PRINCIPLE #5**

### **Assets and Infrastructure**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation activities.

- Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.
- Maintain, procure and construct District assets to ensure safe and accessible operations for the public and the District's workforce.
- Maintain current Community Service and Public Works master plans.
- Maintain a 5-Year and 20-Year capital improvement plan.
- Conduct planning and design, in advance of undertaking projects or procurement, to ensure new District assets meet operational requirements and enhance the customer experience.
- Maintain an asset management program leveraging technology, as appropriate by venue/division, to ensure timely and efficient asset maintenance.
- Comply with regulatory requirements and industry standards.

#### Objectives for 2021-2023

1. Complete a community wide review of the Diamond Peak Master Plan to ensure that it meets the needs of the current community environment as it has been five years since the last review.
2. Continue to implement top priorities identified in the Community Service Master Plan priorities as defined by the Board of Trustees.
3. Focus on strengthening overall project & contract management
4. Work with Board of Trustees to identify Board Policies related to Asset Management of the District that need updating, elimination, or creation
5. Effluent Export Project – Phase II, continue to pursue project partnerships and federal funding to reduce District costs.
6. Execute the Burnt Cedar Swimming Pool Reconstruction Project.

#### Budgeted Initiatives for 2021-2023

- A. Complete Utility Management and Asset Assessment Study. Study findings to inform Utility Rate Study completed by outside firm.
- B. Work with Granite Construction and design consultants to finalize design and begin construction of the Effluent Pond Lining and Pipeline Project.

- C. Allocate capital expenditures in Community Services to maintain service levels, while planning for some facility replacement for facilities that are crossing 20 years in service.
- D. After the community wide review is complete, prepare an outline of the next steps to move the Diamond Peak Master Plan forward.
- E. Create and implement a District Project Manager Position in the engineering division
- F. Advance the planning of the Community Dog Park.
- G. Complete the design and begin the Mountain Golf Course Path Re-construction Project.
- H. Continue to evaluate reconstruction of Ski Way.
- I. Develop Comprehensive Capital Plan for IVGID Beach Properties aligning with the Beaches Master Plan
- J. Continue annual water main replacement program to remove remainder of aging steel water main from distribution system.

## **LONG RANGE PRINCIPLE #6**

### **Communication**

The District will engage, interact and educate to promote understanding of the programs, activities, services, and ongoing affairs.

- Promote transparency in all areas including finance, operations and public meetings.
- Provide clear, concise and timely information in multiple, publicly accessible formats.
- Ensure that both internal and external communication is responsive, comprehensive and inclusive.

#### Objectives for 2021-2023

1. Continue to implement best practices for sharing information with the public.
2. Work diligently to improve all external entity relationships.
3. Identify opportunities to increase community awareness of community and Lake Tahoe Basin wide issues.

#### Budgeted Initiatives for 2021-2023

- A. Host Board of Trustees Community Workshops as scheduled by the Board of Trustees.
- B. Provide informative and timely releases of information to our employees, media, and the public.
- C. Ensure that the District is well represented in external agency discussions where there may be an impact to either our District or our community.



## Implementation

The annual budget document serves as the Action Plan for implementing the 2021-2023 objectives.

### **Budget Initiatives**

The budget initiatives for the Fiscal Years 2021-2023 are described in conjunction with each Long Range Principle.

### **Review Process**

Implementation of the Strategic Plan requires a process of review, improvement, refinement, and measurement and following is the criteria for successful implementation of the Strategic Plan. It represents the commitment and discipline required to institutionalize the process.

- All employees and Board of Trustees members should receive a copy of the plan or electronic access to the Plan and should become a regular part of Staff and Board of Trustees orientation.
- The Strategic Plan becomes the guidepost for the District. When decisions or responses to the community are needed, the Strategic Plan serves as a strong reference point for decision-making and whether or not new issues or responses are of higher importance than what's been established as existing direction.
- Post a summary or shortened version of the Strategic Plan on the District's website and track results on the website as well. It may also be helpful to print a short summary of the Strategic Plan's progress to distribute to interested partners and community members.
- The District's General Manager and the Senior Management Team will have the responsibility of being the Strategic Plan Managers to ensure successful implementation.
- Regular reporting of the Strategic Plan's progress should occur. Break the Strategic Plan into separate fiscal years and report, one year at a time, as an ongoing annual work plan. Each initiative for the year should include a list of actions that support the goal's completion. Actions are developed prior to each year. Each year's data will be entered on a spreadsheet that lists the Themes, Objectives, Initiatives, supporting actions and associated start and completion dates, as well as the staff person responsible for the Initiative.
- Provide an update on the Plan's implementation and results on an annual basis.
- Conduct Staff meetings on a quarterly or semi-annual basis to review the Strategic Plan's progress and results and report on progress to the Board of Trustees.

- The performance appraisal process should reflect the completion of the Strategic Plan initiatives as an evaluation criterion. Also, performance criteria should be aligned with values of the District such as innovation, teamwork, and accountability.
- Track the measurement system on a quarterly basis. Some of the measures will be calculated annually. Provide an annual narrative about the results. Review the measures on an annual basis and make adjustments as necessary to ensure the measures continuously add value to decision making. Include a combination of lagging and leading indicators. (Lagging indicators or outcomes measure past performance; leading indicators or performance drivers assist in establishing future performance.)
- After completion of the first year of the Strategic Plan and baseline results are quantified, targets should be initiated for the measurement system.
- After each year of the Strategic Plan, the Staff should review the Strategic Plan's process and re-tool any parts of the process that need improvement. This review should include a "just-in-time review" of the following year's Initiatives to determine if priorities have changed. The review of Initiatives should tie into the budget process.
- Staff meetings should regularly include discussion of strategy. Create a visualization process to emphasize the Strategic Plan's importance and the District's commitment to execution. For example, posting charts on office walls of each year's initiatives, with a check-off column, can provide a visual tracking of initiative completion.

## Reassessment

Many external factors, such as the local and national economy, demographic changes, statutory and legislative changes, and climate may affect the environment and thus achievement of strategies. To the extent that external events have long-range impacts, strategies, objectives and actions may need to be adjusted to reflect these changes.

New information about residents, constituents, and guests needs or results may also require changes to the Strategic Plan. It is desirable to minimize the number of adjustments to long range principles in order to maintain credibility.

However, the District's Board of Trustees expects to conduct interim reviews each year, and more comprehensive strategic planning processes every five years, depending on how quickly conditions change. Performance measure results will be reviewed more frequently than the Strategic Plan.

### **Incline Village General Improvement District**

893 Southwood Boulevard

Incline Village, Nevada 89451

**Telephone Number: 775-832-1100**

**Questions: [info@ivgid.org](mailto:info@ivgid.org)**

## M E M O R A N D U M

**TO:** Board of Trustees

**FROM:** Tim Callicrate  
Board Chairman

Josh Nelson  
General Counsel

**SUBJECT:** Case No. CV18-01564 Mark E. Smith v. IVGID  
Review, discuss and possibly approve a \$12,500 payment to  
Special Master Matthew Sharp.

**DATE:** June 4, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees makes a motion to authorize a \$12,500 payment to Matthew Sharp as Special Master in Mark E. Smith v. IVGID, Case No. CV18-01564.

### **II. BACKGROUND**

The Court in Mark E. Smith v. IVGID, Case No. CV18-01564 previously appointed a Special Master, Matthew Sharp, to review a subset of the emails at issue in the case. Mr. Sharp reviewed those emails and issued a report that makes a number of findings, including that a number of the emails are not subject to the attorney-client privilege. IVGID has objected to the report and the Court has not taken action on the report to date.

Under the Court's order appointing Mr. Sharp, the parties to the litigation are each responsible for one-half of the costs of the Special Master. Mr. Sharp issued an invoice indicating he spent 50 hours. At his hourly rate of \$500, the total invoice is \$25,000. This invoice does not include a summary of tasks or hours spent on each.

IVGID's special counsel requested some breakdown of the fees or other documentation from Mr. Sharp. He declined to provide any additional information. This item seeks Board approval for IVGID's share of the fees, which is \$12,500.



  
*Matthew L Sharp*  
ATTORNEY AT LAW

April 7, 2021

Stephanie Rice, Esq.  
Midtown Law  
115 Casazza Drive  
Reno, NV 89502

Thomas P. Beko, Esq.  
Ericson, Thorpe & Swainston, Ltd.  
99 W. Arroyo St.  
Reno, NV 89509

Re: *Mark E. Smith vs. Incline Village General Improvement District, et al.*

Counsel:

This correspondence serves as my Invoice for time in reviewing the documents and privilege log entries at issue in the Motion to Compel Production of Responsive Records not Protected by the Attorney Client Privilege ("Motion") pursuant to the Order Appointing Special Master entered by the court on June 25, 2020.

From August 1, 2020 through March 17, 2021, I spent 50 hours reviewing the privilege log, *in camera* review of the materials provided by the Defendant(s), researching attorney-client privilege, and preparation of Report and Recommendation and Summary of Documents Reviewed and Findings. My hourly rate for providing these services is \$500.

Accordingly, my total fee is \$25,000.00. This amount is to be divided equally between the parties. Each party is to pay \$12,500.00.

I have included a copy of my W-9 form.

Thank you for your prompt payment of this invoice.

Sincerely,

  
Matthew L. Sharp, Esq.

MLS:cbs  
Enclosure

## MINUTES

### **SPECIAL MEETING OF MAY 5, 2021 Incline Village General Improvement District**

The special meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Wednesday, May 5, 2021 at 3:30 p.m. This meeting was conducted virtually via Zoom.

#### **A. PLEDGE OF ALLEGIANCE\***

The pledge of allegiance was recited.

#### **B. ROLL CALL OF TRUSTEES\***

On roll call, present were Trustees Tim Callicrate, Sara Schmitz, Matthew Dent, Kendra Wong (absent), and Michaela Tonking.

Also present were District Staff Members Director of Finance Paul Navazio, Director of Public Works Brad Underwood, Interim Director of Human Resources Erin Feore, General Manager Diamond Peak Ski Resort Mike Bandelin and Director of Golf/Community Services Darren Howard.

No members of the public were present in accordance with State of Nevada, Executive Directive 006, 016, 018, 021, 026 and 029.

#### **C. INITIAL PUBLIC COMMENTS\***

Dick Warren said once again the Director of Finance has created hundreds of pages of garbage which does little to highlight the issues confronting IVGID. But there are at least 2 decent pages, pages 29 & 39 of his Budget Workshop packet. Page 29 is the income statement for Community Services Funds (CSF), and page 39 is the income statement for the Beach Fund (BF). Unlike the many, many worthless pages of cash flow statements, these 2 pages are useful to review because they show ALL revenues & ALL expenses related to CSF and the Beach Fund; however, the CSF page should be expanded to show every Venue that comprises CSF, like Golf, Ski, Tennis, etc. For CSF operating net income is about \$1.4M; however, that includes a Facility Fee subsidy of around \$5.3M. BTW Moss Adams specifically pointed out that the Facility Fee SHOULD NOT BE shown as operating revenue, it should be shown as Non-Operating Income (but the Director of Finance chose to ignore that advice). So without the Facility Fee CSF loses \$3.9M; that is how far underwater IVGID is when it comes to breaking even on all the Venues in CSF. In other words, revenues must be increased and expenses decreased to breakeven, especially labor costs, but is our GM ready to do that?

The same is true for the Beach Fund, it loses \$31k in operations even with a Facility Fee subsidy of almost \$1.4M, without it the loss in operations is around \$1.4M. As we all know the Venues should be breaking even on operations, but they aren't even close. Without that Facility Fee CSF & the Beach Fund are losing around \$5.3M combined. That is horrendous, and shows just how poorly managed IVGID is. Will any Trustee ask the Director of Finance why this kind of information (losses by Venue, the expansion of page 29) is not being shown? Perhaps even demand that it be shown? General Manager, you have been a terrible General Manager, you do not have a clue what to do to fix IVGID, and pages 29 & 39 document your failures. Bagman Director of Finance tried to limit the damage, but the simple fact that you cannot breakeven operating IVGID's Venues points to the need to go outside and outsource where necessary and bring in "COMPETENT" folks to run these Venues. Trustees, are you willing to challenge the General Manager on his Budget? Are you going to ask him why IVGID loses \$5.3M in Operations? Or are you going to roll over and do nothing? My prediction, the latter. Thank you.

Ellie Dobler said she would like to address the end of the April 29 Board meeting. But first some history, Trustee Wong has been trying since last January to have Audit Committee At-Large Member Cliff Dobler removed from the Audit Committee with no concrete reason except she doesn't like his behavior. Audit Committee At-Large Member Dobler was largely pointing out all the inadequacies of the previous Audit Committee of which Trustee Wong was a member; actually he reported accounting irregularities for the last 5 years which she ignored. At the same January 13, 2021 Board meeting, Trustee Wong accused Trustee Schmitz and to a lesser extent Trustee Dent, both members of the Audit Committee, of being the cause of Senior Staff leaving. You can read about it in the January 15 edition of the *Tahoe Tribune* titled "IVGID Trustee Wong addresses exodus of District Staff". Is this professional behavior on Trustee Wong's part? She thinks it is unethical. Getting back to April 29, at the end of the meeting, she enjoyed Trustee Callicrate's remark in thanking the Board for their professionalism. She assumes it was sarcastic as she didn't see much professionalism in Trustee Wong referring to Audit Committee At-Large Member Dobler as a racist and needs to be removed from the Audit Committee. Here we go again, Trustee Tonking seconds Trustee Wong's remark as if it was a motion on the floor then District General Manager Winquest chimes in as if he was a member of the Board. She doesn't recall Chair Callicrate calling on him. All so professional – really? Even the attorney had to pop in to stop the deliberation. Racism is a hot topic now so calling someone a racist is a very serious accusation in our present climate and should not be used lightly. Is slander and name calling your best attempt to have Audit Committee At-Large Member Dobler removed from the Audit Committee Trustee Wong? You obviously can't come up with a better one. She would expect an apology from Trustee Wong, thank you very much.



Cliff Dobler said tonight's budget presentation has several pages titled Statement of Sources and Uses which are not appropriate and the format may possibly have come from a Chinese government accounting manual using names like function, class, funded capital resources and transfers in and out. The format is certainly not GAAP or what the States wants nor in any Board policy. Nowhere in these pages can a reader determine what revenues, expenses and standby service charges or facility fees are intended for each of the recreational venues. So these pages are worthless. GASB and the State requires two specific statements for enterprise funds – a statement of revenue, expenses and a change in net position and a statement of cash flows. The formats can be found in GASB 9 and GASB 34. Only one page which aggregates all of the Community Services venues is presented according to GAAP. A related statement of cash flows does not exist. Another matter, in his conversations with the Moss Adams representative, he claims that the facility fees subsidizing Community Services venues are not operating revenues but are non-operating revenues and should be classified as such. The fees are imposed on citizens and the classification is a charge for services is bogus as many citizens may or may not use the facilities or join the community programming. Concept statements have been published by the GAAP of supporting his claim. Trustees for years have stated that the facility fees are a subsidy since the Board has never been able to establish its charges for services to cover the aggregated bloated expenses, depreciation and debt service. Why? Because they can impose a lien on citizens' properties. Lastly, he believes it is wrong that 3 Trustees who have been on the IVGID Board for the past 5 years have approved budgets to collect unnecessary facility fees in the Community Services fund which has resulted in a massive over amount of money far and above appropriate reserves. At the end of the new budget year, over \$7 million will exist and there is no indication of the Trustees willingness to commit these excess funds to anything. According to the 5-year forecast, the excess will grow to \$8.5 million. The budget for the upcoming year alone reveals \$1.8 million of facility fees is budgeted for direct operating expenses however only \$400,000 is needed. Why? Can the Trustees please put the brakes on IVGID's management appetite for excess charging of facility fees and tell citizens how they intend on spending the money on hand and committing it to something otherwise return it? Thank you very much.

Mike Abel said he would like to refer you all to the deplorable behavior of two of our Trustees and our General Manager on Thursday evening 4/29/21 at the very end of the meeting. In the public comments section, Mr. Cliff Dobler brought up a serious issue of a lack of clarity on couple discounts on our Golf Courses and at the Rec center. Mr. Dobler was not acting as a member of the Audit Committee, but rather as a private citizen. In his comments he used a twist of the English

language that in Latin is referred to as, “argumentum ad absurdum”. In this nuance, he drew the most absurd (and also quite humorous) reference to the most absurd situation, where he would present himself holding hands with Chairman Callicrate and demand the couples discount. He was obviously pointing out the lack of clarity on partner discounts, and obviously suggesting that the Board and our GM address the issue at some point in the future. Trustees almost never answer the public’s questions or comment on any member of the public’s 3-minute comments. Chairman Callicrate did decide to respond which is fine. And to his credit he brilliantly responded with an entertaining and humorous rejoinder to Mr. Dobler. Then in an outrageous, inappropriate and disgusting manner, Trustee Wong attacked Mr. Dobler as a **sexist and racist** and saying that she was appalled by his comments and saying that he should be removed from the audit committee. Then as a rejoinder Trustee Tonking and District General Manager Winquest echoed Wong’s comments. Only the intervention of our attorney stopped this outrageous and illegal display of inappropriate behavior. As a long-time friend of Mr. Dobler, I know him to be kind and respectful to every person that he encounters. To call him **sexist and racist** is totally unjustified and outrageous. It is evident that in the last months that Mr. Dobler has been on the Audit Committee that he has uncovered scores of errors of mismanagement in the halls of IVGID. The fact that Trustee Wong is now embarrassed that she presided over a do-nothing Audit Committee for 5 years and let former General Manager Pinkerton and current General Manager Winquest operate on autopilot is no reason to attack Mr. Dobler. The fact that the two Trustees and General Manager Winquest like the “no oversight” status quo and as a result detest Mr. Dobler is no reason to call him **sexist or racist**. You three have absolutely no basis to make this accusation. **Your hatred for him blinds you three to the:** 1) Obvious humor of his comment. 2) The serious nature of his critique of the “couples” discount which was never addressed. 3) Your ignoring District policies regarding non-agenda items. 4) His superior ability to understand complex accounting issues at a level that none of the three of you are capable of understanding or reconciling. 5) The fact that speaking as a private citizen your comments border on libel and slander. Your ignorant and outrageous comments would not be justified in a 6<sup>th</sup> grade playground spat and certainly were not justified at the Trustee meeting on Thursday night. He continues to demand that all three of you apologize to Mr. Dobler publicly.

Joe Wolfe said he is calling in reference to what Mr. Dobler said at the last meeting, it is inappropriate, it was unfortunate and it just goes to show that Mr. Dobler speaks before he thinks. It is a terrible situation that the Board of Trustees has created themselves by allowing private citizens in a place where it should be people who are elected and only elected to look at the finances and get it done. You are shrieking your own duties by allowing private citizens on this committee. If you want outside advice, go to your auditors. That is all he has to say, thank you.

Aaron Katz said he has written statements to be included in the minutes of the meeting. Each of you Board members owes a fiduciary responsibility to each of us parcel owners to follow the law and not to lie to us yet you are proposing a CIP budget which contains millions of dollars of unnecessary, wasteful Staff wish list projects and proceeded to go over specific items. He shared his list that would slash the aforementioned and others by \$3.14 million that would reduce the Recreation Fee to \$343 and if the Board members had any guts, that is what you would do. Why tells us you require a Recreation Fee when on page 27, you require less which would reduce the Recreation Fee by \$184. Why tell us that there are 8,203 parcels accessed the Recreation Fee when you have been put on notice that the number is considerably more? Why adopt a Recreation Roll report that lies to the public in so far as what the Recreation Fee really pays for? It is because none of you care, breaking fiduciary duties, and you put Staff first and we parcel owners last. It is all wrong and we know it. He hopes you will too.

Margaret Martini said whoa, what an ending to the last board meeting! The false accusatory comments directed at Cliff Dobler, Audit Committee member, by Board Member Trustee Wong, and seconded by Mina bird Tonking, and then to be endorsed and added to by the General Manager Winquest was breathtaking. Our Board Chairman Tim Callicrate seems to forget the malicious diatribes that were distributed by Trustee Wong and her True Blue Facts group during his campaign. There are printed statements of bigotry and racism galore directed at Mr. Callicrate along with quoted statements like "worthless shits" ... directed at the Union soldiers who fought to end slavery. And "cannot believe so many folks think BLM AND ANTIFA are ok but neo-Nazi and white supremacist are not". Yes, we have printed copies of these postcards paid for and distributed by Trustee Wong and her group. Yet, Board Chairman Callicrate jumps in to the accusations against Mr. Dobler. She finds it astonishing that a political hack, Trustee Wong, would attempt to discredit one of the finest members of our community, an outstanding citizen and member of the Audit Committee which has uncovered so many financial irregularities that have ripped off this community for millions of dollars. And the General Manager has the audacity to not only chime in on the racist and sexist accusations made by Trustee Wong, but to call for Mr. Dobler to be removed from the Audit Committee. Is this just an excuse to remove one of the committee members who is knowledgeable and outspoken of the mess and misappropriations of funds that seem to be prevalent in the IVGID financials? Mr. Dobler's statement was NOT racist by any stretch of the imagination or sexist and to accuse him of that is public slander by Callicrate, Tonking, Wong and Winquest. He was asking for clarification of the "couples" designation in pricing at the venues. Their comments qualify them for removal from their positions as Board members and General Manager and she is going to include exhibits with her public comments.

Frank Wright said good afternoon. He is going to draw a picture of absolute bizarre behavior by our governing Board. At the last Board meeting we all know that Trustee Wong, Queen of the True Blue Facts, pretends that she is the matron of community consciousness. Trustee Wong launches an attack against our fellow residents and stellar member of the Audit Committee. This vicious and totally unwarranted tirade against Mr. Dobler was plain pathetic. Trustee Wong alleged that Mr. Dobler's public comments were sexist and racist, we have heard that today and she states that she was offended and appalled, really. To add to the ludicrous outburst, Trustee Tonking jumps in, she seconds it, she agrees with it. He doesn't think she understood it but not to be outdone, here comes the General Manager. He jumps in and starts acting like the sixth Board member, which he thinks he thinks he is, and without permission, which has been explained today, he starts his tirade against Mr. Dobler and he demands that he resigns or that he be removed or that he shouldn't be on the Audit Committee – unbelievable. If you watch the Livestream, you will see the General Manager typing away prior to his comments and he believes that he was in direct communication with Callicrate, Wong and Tonking and which prompted Wong's comments. The General Manager thinks he is a member of the Board and Callicrate has basically given him the Board Chair. Callicrate said that he believed that Trustee Wong has something to say. Now how would you know that? Serial polling during a live Board meeting as all three asked for Mr. Dobler to remove from the Audit Committee is a coincident, orchestrated absolutely. Not one of these fine upstanding Board members had concerns that Mr. Dobler had uncovered another rip off. Trustee Wong, the architect behind True Blue Facts, a pathetic politic PAC that slammed Chair Callicrate and Trustee Schmitz using the words "Hitler" "Kul Klux Klan" to imply that Chair Callicrate was a Nazi and to top it off, she lies about her involvement. She tried to undermine the candidacy of those opposing her to enhance her own candidacy. Mr. Dobler pointed out that a couples group walking in and getting golf passes is going to save \$1,150 on their two passes. That is outrageous. Are they all couples or do they just say they were? Anyway, what he is getting at here is that Mr. Wolfe has popped in here and he just has outstanding information, yeah, right. We got problems and someone needs to tell the General Manager that he should be asked and that he should have permission before he interjects himself into any Board meeting. You are not a Trustee and every time you do that, it's an open meeting law violation. And your comments about asking for Mr. Dobler's head, is really, really unprofessional. You know that is just not stuff that happens in real life.

Chairman Callicrate asked District General Counsel Nelson that if he has been accused of something that is blatantly false, does he have the opportunity to rebut that or should he do that via a letter to them rather than in the public comment section? District General Counsel Nelson said it is your discretion, to a certain

extent, as the Board members have the ability to briefly respond to public comments but we don't have the ability to allow those discussions to turn into deliberations and that is an issue that the Attorney General pointed out in a recent open meeting law complaint. but not turn into a debate. So, in response to your question, you can briefly respond or in another way; it is up to you. Chairman Callicrate said he will respond privately as he doesn't want to give the accusers any more time than they have already wasted in today's meeting. It is one thing to be bringing forth valid public comments than to turn it around and attack the people that you are accusing of attacking someone else as it is just ridiculous and ludicrous so that will end that.

**D. APPROVAL OF AGENDA (for possible action)**

Chairman Callicrate asked for changes to the agenda; no changes were submitted thus the agenda is approved as submitted.

**E. GENERAL BUSINESS (for possible action)**

**E.1. 2021/2022 Budget Workshop: Continuing discussion of the District's Fiscal Year 2021/2022 Budget (Presented by District General Manager Indra Winqest and Director of Finance Paul Navazio)**

District General Manager Indra Winqest said he wants to apologize to the Board and the community as he was frustrated during the restroom item and would have been more productive to address that outside the meeting. His emotions got the best of him, which is not like him, and he does apologize and desires to move forward.

District General Manager Winqest thanked the Board for starting this meeting at 3:30 p.m. today and gave a brief overview of the submitted materials.

Director of Finance Paul Navazio went over a PowerPoint presentation which will be posted to the website following this meeting. During this presentation, the following questions/answers were made:

**Trustee Schmitz:** Diamond Peak revenues were reduced because of the Hyatt Shop – puzzled by that?

**Director of Finance Navazio:** Staff discovered a double counting of revenue as there is another cost center where revenues were assumed.

**General Manager Diamond Peak Ski Resort Mike Bandelin:** Added that this was admission and fees and that the Hyatt Sport Shop was included in one account and that all tickets sales were done through e-commerce so we will be going to that method thus we removed those monies from that cost center because it was included in another account.

**Director of Finance Navazio:** On page 58, it is reflected in the line item budget where they were removed.

**Trustee Schmitz:** What was interesting was that Director of Finance Navazio stumbled on his own words and adding \$233,000 to fund balance up here in sources using \$317,000. The fund balance needs to be brought down so we can see it because as this is presented it is not clear to the public to see the funded public resources and the use of fund balance. We need move these, rename them and have them brought down so the general public and everyone can understand where we use fund balance and where we don't. She has reviewed all the project data summary sheets and she is really pleased that they are classified in four ways – capital maintenance, equipment and rolling stock, major projects, and capital improvement. Thrilled by that as classified as maintenance projects is another delineation we need to make and we have to update our policies. And if we have updated project data sheets, it will be pretty simple to have that broken out and using those terms differently.

**Chairman Callicrate:** Is the way Trustee Schmitz wants to do it more correct or for clarity or how it is done here?

**Director of Finance Navazio:** Prefer the method that Trustee Schmitz is presenting because (1) he typically shows revenues and expenses and if there is a delta, then by definition that is fund balance; and (2) the reason why traditionally shown under sources is because that is how we are asked to show on the State Form 4404. Personally, he would prefer how Trustee Schmitz said. When we show the funded capital resources, it is never going to be an actual against that budget, we will always have to explain it, under budget because there is no transaction to do that, and more than happy to pursue the approach noted by Trustee Schmitz with the understanding that it will show differently on the State forms.

**Trustee Dent:** Agree with showing how Trustee Schmitz suggests as it would make it a little clearer. Data sheets for the projects – flipping back and forth between 5 year CIP and the data sheets, it is difficult to pinpoint, can a reference be made between the summary and the data sheet?

**Director of Finance Navazio:** Included here are only the data sheets for Year 1. They are produced by project number. We will work on that suggestion to make it easier.

**Trustee Dent:** By pulling all the rolling stock out of here, it will make it much smaller.

**Director of Finance Navazio:** The data sheets do have drop down menu items, these have been in these data sheets all along, just note, pending update of the policy, it is not uncommon, and more common, that equipment and rolling stock and including IT infrastructure to remain in capital and can have that conversation, yes, we will be able to segregate it more. Working on setting up different cost codes as well as further delineating information.

**Trustee Schmitz:** Understand that refinements that are forthcoming and that this is not all capital improvement and should change it to capital project as the terminology is not correct and should be changed.

**Trustee Schmitz:** Wants to express her concern about the Utility Fund, page 20. Funded capital resources which is fund balance and look at the bottom line, the utilities are negative for this particular year. Her concern is because the Board has restricted all of the \$2 million, which is now up to \$11 or \$12 million, that setting that aside, there is only \$800,000 remaining and that takes it down to \$520,000, and with \$150,000 being for TWSA, it leaves us with \$150,000 as a balance so she is very concerned with that. Based on central services allocations, without IT, and we are negative for this year. The Utility Fund does not have enough reserve, we all know that, and it is not a surprise, but that she wanted to articulate that for her fellow Trustees as part of it is TWSA.

**Trustee Dent:** We have \$2 million rolled into \$12 million so should that be pulled out as non-operating income because we know it is part of the effluent pipeline?

**Director of Finance Navazio:** The Utility Fund has consistently shown the full amount for revenue there, thus far, those have been considered operating revenues. Don't know if it changes the budget, it is a question worth considering and raising with our new auditors when it comes to the financial statements when we are segregating out items. If one wants to focus on the \$2 million for effluent pipeline, the capital includes a large number for the effluent pipeline and if you remove that then you must remove the revenue and expense components. When we get to the five year forecast, it has been confirmed by both past auditors and Moss Adams, the amount of the funds reserved for pipeline is part of our unrestricted financials and that these are not legal restrictions rather just a policy thus the net position is fairly positive however Trustee Schmitz has pointed out that with the reservation made by the Board, the Utility Fund does not meet the 25% reserve as to policy with the drawing down of fund balance and potentially dipping into the reserved funds.



**Trustee Dent:** The point he was trying to make is that we are underwater, \$500,000 on page 20. If we were doing these things correctly, in years past, we didn't restrict those funds and try and show them differently and how we are separating them, did we all understand that we were running really tight and adjusting such that money was to go to operations and then, depending on the rate study this fall, do we let the client know that it isn't for the pipeline if that is what we need to cover the shortfall?

**Trustee Schmitz:** She agrees with Trustee Dent. Agenda packet page 20 shows that with that funded capital resources and stated fund balance, it would be really clear to see how close we are. With the TWSA, we cannot have a fiduciary fund co-mingled, which is on agenda packet page 25, where it shows TWSA is going to be negative by \$12,000 so do they have their own fund balance and will they be dipping into their own and if it is co-mingled into our Utility Fund, we should take corrective action to get that removed.

**Director of Finance Navazio:** He wants to be careful with terminology as TWSA is treated as a liability account, is not in our unrestricted position, and showing as a liability on our balance sheet. He would note on page 20, part of the things we need to work through on this is that it doesn't meet the definition of a pure fiduciary fund because we have Staff costs charged to the fund. There are District Staff that are funded out of this fund and that if this was a true fiduciary fund, we should be billing an amount to TWSA. He is working with our Controller and we will bring it up with our auditors as we will segregate it from Fund 200, as a minimum as a sub fund, and make adjustments accordingly. The 5-year forecast does show exactly what is going on.

**Trustee Schmitz:** If we could all look at page 27, look at the line, facilities fees, \$5,300,000 and that it is the entire facility fee for community services include capital projects and debt. So this is the full amount. Operating, capital and debt. Down to transfer in of \$3,000,400 for capital projects and debt – appears it is in here two times – she is concerned about it as it is a big number, big change and it affects the bottom line and she wanted to highlight that.

**Director of Finance Navazio:** It is a roll up of all the funds and that Trustee Schmitz is correct on the entire fee under Facility Fee which is a presentation issue that doesn't impact the bottom line. Rather than considering the \$3.4 million is offset by the transfer out by uses, it is kind of a wash, so you end up with \$5.3 million. We are showing the roll up with the majority of this in Fund 360 and transferred out of Fund 360 and into Funds 320, 340, and 350. Go to Fund 360, the Facility Fee that is being collected, transferred out, and then what is coming to golf is \$600,000.

**Trustee Schmitz:** It doesn't make sense what is getting transferred out and added in again as that \$3.4 million hasn't been transferred out.

**Director of Finance Navazio:** It is into those other funds.

**Trustee Schmitz:** Keep the \$3.4 million in here and adding capital and debt again and taking it out; if this is presentation, then the presentation should be changed.

**Director of Finance Navazio:** When we had this in an earlier presentation, comes into Fund 360, it is transferred out, and then it goes to golf and ski, etc. The confusion is that this is a roll up and that if we just show the individual funds, we don't have this issue. When we roll it up, we have this issue and he will argue that it is a presentation issue. This transfer doesn't even exist because the State views differently.

**Trustee Dent:** Why is everything going into Community Services Administration? It is almost like saying we are doubling up and we are double counting. If it is just a reporting thing perhaps we could clear it up with a definition or putting a note in here explaining it? Trustee Schmitz does have a valid point.

**Trustee Schmitz:** Moss Adams has told us that the facility fees are supposed to be down below and identified as not necessarily a revenue. Facility fees are an issue with the reporting.

**Director of Finance Navazio:** It speaks on how we are showing it on another document. This doesn't impact the bottom line. Go to page 16 where we have the same problem - dual appropriations – three categories are transfers, internal services, and central services overhead. Anytime we have expenses and revenues rolled up, it is not wrong, as it is between funds. It is just a budgetary reality when we do fund accounting and transferring. Staff will work on the presentation and will meet with Trustee Schmitz. Do need to maintain some items for the State.

**Trustee Tonking:** When we give this to the Department of Taxation, this won't show up?

**Director of Finance Navazio:** We don't give them this document as the State doesn't want to see these transfers.

**Trustee Tonking:** What about interfund transfers?

**Director of Finance Navazio:** Yes, that will be on the form. Example: General Fund to Community Services Fund, same problem, want to see that because it is between funds but Staff can delete it from this form.

**District General Manager Winquest:** Staff understands where Trustees Schmitz and Dent are coming from as he has the same questions. It doesn't impact the integrity, it is clearly a presentation issue, and we can look at how we can show it in a more transparent way. After getting an explanation, he can see it both ways and it doesn't impact the overall integrity of our financial statement.

**Trustee Schmitz:** It sounds to her, based on the explanation, we have created this problem with transfers in and out. Why don't we move the money into the venue where we allocated it and if we did that, we don't have all the transfers going on which is causing the duplications and align it with the Recreation Fee allocations? She doesn't know why we can't move this immediately into those funds as it would fix this particular problem.

**Director of Finance Navazio:** Yes, he was going to note that and yes, we could do that however that is not how it has been handled in the past. We will look at that and his concern is that we don't set the Facility Fee based on any year's given capital plan, we don't designate what projects are set for what year, etc. Staff has told him that even the transfers that are put in there are somewhat subjective because there is no expectation on funding and we record to actuals. This is definitely worth exploring as it would solve the problem.

**Trustee Schmitz:** We used to do it that way as it was clearly delineated by capital and debt and she would ask that we incorporate this into our Recreation Fee, go back and tie it together as it allow us to direct allocations of the Recreation Fee which make things much clearer and much more clear to the parcel owners.

**Director of Finance Navazio:** What would happen when we do that, and it would be helpful to do this at the end of each year, is those dollars reside in the Community Services Fund as opposed to have it in each fund. The concept is sound and the concept would preclude the need for transfers.

**Trustee Schmitz:** It would communicate to the parcel owners to see what we are allocating and how much we are subsidizing. When it is grouped all as one, it doesn't make it clear and that this is a very important step to take as part of our budget.

**Trustee Dent:** He does not remember the reason we got away from showing the numbers and it not matching up. There were some discrepancies and there was a reason why we removed it. We just need a simple way to show how it is divided up between capital and debt.

**Trustee Tonking:** Is it possible to run both side by side as we will still have some transfers at the end of the year but to see what that suggestion looks like?

**Director of Finance Navazio:** The budget is easy but the actuals may be another issue. Another way to solve this is to have all the capital in one fund. Struggle with the Ski Way project because he doesn't know if that actually belongs to Diamond Peak. We do have capital that might be split and the more we go down to pigeonholing things into funds, it does tie the District's hands. There are implications for how we do this and if the concern is presentation, that is easy to fix. Staff is hesitant to change how we are

fundamentally doing it without working through an entire year. Our auditors will only look at one fund.

**Trustee Schmitz:** Suggested going back to prior to 2020 and looking at those forms as that is where it shows there is no debt funding and the debt is assigned to them.

**Director of Finance Navazio:** There was a time when all of the facility fees were lumped into together and there was debt paid by all and that happened because of allocation. Yes, changes can be made and this discussion is really helpful going forward.

**Trustee Schmitz:** This is very clear and the public gets a clear picture on what they are subsidizing and if we can avoid the problems created by the transfers, then let's do it.

**Director of Finance Navazio:** The District is not short on revenues.

**Trustee Schmitz:** Did she hear correctly on the statement of income and expenses and on moving the facility fee to non-operating income - did she hear that correctly that will be a change?

**Director of Finance Navazio:** It will still be a revenue source and Staff still needs clarification on as it is one thing if it is operating or non-operating income. Mr. Dobler and Ms. Newman argued that it should be shown be as charges for services and Moss Adams agreed as shown as charges for services and on this statement is a different question. As an example in the Utility Fund, all charges are shown as charges for services. Non-operating is not by way of routine operations, that said, something we will look at and we may be modifying our financial statements as we prepare the comprehensive annual financial report and audit but not this budget that the Board is approving.

**Trustee Schmitz:** She believes that we have all been informed that contra revenue was no longer being done, yet it is still being done, on agenda packet pages 62 and 67, punch cards utilized which is only reflected in Community Services Administration and she thinks that should be changed.

**Director of Finance Navazio:** He does have a discussion a little later in the presentation; it is an excellent topic for discussion.

Chairman Callicrate called for a break at 5:31 p.m.; the Board reconvened at 5:48 p.m.

**Trustee Dent:** He would love to see the Incline Beach House funded and to see more than \$100,000 going there. He would like to see whatever we need to fast track this project and begin working on it next summer as that would be awesome. Back on page 73, the Mountain Golf course, the Board did ask

Staff to look into electric carts however he doesn't remember it coming back to made the switch to electrical carts when our carts use a few hundred gallons of fuel. This is spending \$500,000 to mitigate this problem, which seems like a lot money, so he would love to see this project removed from this year's budget. He is all for being green where it makes sense however he doesn't see it for this project with the little amount of fuel we use at the Mountain Golf Course.

**District General Manager Winqest:** He would love to get the Incline Beach House project going as soon as possible and that the plan was to bring back an item this summer to determine a path with a scaled down facility and discussion about other items at the beaches such as the gates, etc. The Board needs to have that large discussion so that Staff understands the expectation for project development. Staff can look at utilizing the money for design, depending on timing, we can get it started. On the Mountain Golf Course golf carts, it was left off at the analysis, and Staff is open to more discussion on the evaluation of electric golf carts.

**Chairman Callicrate:** In agreement with Trustee Dent on the Incline Beach House as the majority of community said it is time to do something and not the grandiose plans and ideas but something that is more appropriate. Let's get that at the forefront as it is at the top of the legacy projects/priority projects for the Board so it is important to not let it get lost; let's bring it up at one of the upcoming meetings. If we need to engage outside assistance to help us move it along, let's do it. At one point, it looked like electric carts might work at the Mountain Golf Course, however he is with Trustee Dent, as he can't see how we can justify an electric cart fleet that will be used minimally.

**Trustee Schmitz:** As it relates to Parks, the bike park was not completed per the permit. There is landscaping and protection that was supposed to be implemented for the SEZ area and she doesn't see anything on that as we do need to protect that SEZ area. On the beaches, something that District General Manager Winqest has said, with COVID, we have had far fewer issues with reserving chairs yet there is \$12,500 in here for them so do we want to be spending that? As it relates to flatscaping and retaining walls, we are doing a lot of hardscaping and not softscaping. Along the fences, it is looking unkempt so we should expend some monies to visual improve and do some additional landscaping that would be more visually valuable instead of hardscaping.

**District General Manager Winqest:** Bike park – we do want to have a grant funded project at the bike park, we have been working with ITF and there are some monies left in accounts to do some site civil work to work through Phase 2. There has been a request to look at County 4B funds, do

know that the permit is expiring this October, and we are hoping for an extension if a project is a go. The monies in the budget is for picnic tables as Staff really enjoys not having to deal with the chairs. Flatscaping – have deferred and we are replacing railroad ties. Have talked about the landscaping along the fences and he will make sure that Parks has enough dollars to do the improvements there.

**Trustee Schmitz:** Landscaping outside the beaches – is that Parks or the Beach Fund?

**District General Manager Winqest:** Beach Parks as a maintenance expense.

**Trustee Dent:** One of the things that has been neglected is the fence – can we get them re-powder coated or have the paint touched up? If we weren't irrigating them, we wouldn't have to repair them. Maybe painting is a better alternative especially how we like to irrigate our fences.

**District General Manager Winqest:** Agree and we will check with Parks on that situation. It would be helpful to hear from Trustees Schmitz and Tonking about the Incline Beach House and golf carts as it would be important to know if there is a consensus.

**Trustee Schmitz:** She agrees.

**Trustee Tonking:** She agrees on the Incline Beach House. On the carts, she would like to have the information and be cognizant of the effect on the lake so she would like more facts on the electric carts.

**Chairman Callicrate:** Dog park – how are we moving forward on that? Have people who have been patient for 22 years so where are we on that project?

**District General Manager Winqest:** We are trying to coordinate schedules to set up meeting at that parcel. If we can get a special use permit late spring/early summer, we can work through whatever we need. Staff will be coming to you during the next budget cycle for a project.

**Trustee Schmitz:** In our General Fund, we have excess fund balance over and above what we should have for reserves. For some of these projects like the dog park, bike park, etc. can we consider having those projects funded by the General Fund and recognize it can be used by the general public or move the operations of the Parks over to General Fund – where are we in evaluating this process?

**Chairman Callicrate:** Complete renovation/rebuild of the Village Green and we have this fund balance and how can we best use it for items that are available to the general public?

**Trustee Dent:** The Recreation Center has public restrooms – can we use the General Fund to pay for that project?

**Director of Finance Navazio:** Generally speaking, the Board has maximum discretion on how to spend so that is entirely up to the Board. There is capacity to support one-time capital or other expenses and there needs to be some thought about funding reoccurring expenses.

**Trustee Dent:** He is throwing it out there as an idea as this is what the General Fund is for. We had been kicking around separating the rolling stock from the capital – when will we see that? Love to see this revamped as we did really good with the popular reporting and revise CIP reporting would be a win-win.

**Director of Finance Navazio:** Reformatting this presentation to separate Fleet is relatively easy and Staff may include that in the materials for the final budget adoption. As to changing where it is shown, Staff will look at that over the next several months as there is a lot of rolling stock that is capital equipment and not a capital project but a fixed asset. We can roll up to one-line item or make it an Internal Service Fund and he likes the idea of looking not at just this list. We will take the next step and then work with Staff on how we might revamp it.

**Trustee Dent:** He keeps bringing it up, did so several years ago, brought up having a policy and a clear plan for Staff. He has said, in the past, that some of these items should be going a lot longer than they do given that we are a small little town and it doesn't take too many miles to go across it. He likes repairing where we can, creating a policy for Staff, understand the pros and cons, the Board needs to way in and the Board should have a policy.

**Director of Finance Navazio:** Fleet Staff went through this plan and pushed out as many pieces of rolling stock they could so this might be a good window to have that conversation.

**Trustee Schmitz:** Is planning for the life cycle for rolling stock a component of the capital policy that is being refined and developed?

**Director of Finance Navazio:** Yes, determined by policy and part of the policy should be informed by the assets in our organizations – experience and management thereof.

**Trustee Dent:** Raftelis did ask him about that; seems like something they were going to weigh in on.

**Director of Finance Navazio:** Assumption is looking at entire organization, Fleet represents a pretty big component of our fixed assets and he assumes they will be looking at this as part of our study.

**Trustee Schmitz:** Maintenance of pavement - given the fact that our Utility Fund is upside down, these things really need to be evaluated and there needs to be a way to find a path to improve the Utility Fund.



**Director of Finance Navazio:** Concur with Trustee Schmitz, you will see on page 72, some changes that were made to reduce costs which he explained.

**Trustee Schmitz:** Can we have the labels on the Capital Maintenance Projects cross reference each other?

**Director of Finance Navazio:** We are heading there.

**Trustee Dent:** Asked about expensed versus capitalized.

**Director of Finance Navazio:** Provided an explanation that yes these are expensed.

**Trustee Schmitz:** Page 96 doesn't match page 75 for beaches.

**Director of Finance Navazio:** Page 75 is just year one, page 96 would be the five year.

**Trustee Dent:** The bridge at the beaches - Ski Beach replacement for \$250,000 – can we shrink the budget or do just one bridge?

**District General Manager Winquest:** Reduced the budget but the bridges are expensive.

**Trustee Dent:** If for two, seems more reasonable.

**District General Manager Winquest:** Will verify and get back to Trustee Dent.

**Schmitz:** Did we skip over the Central Services Cost Allocation?

**Director of Finance Navazio:** Shows this year and next year.

**Trustee Schmitz:** Part of the costs is Information Technology (IT) because IT isn't being charged out. Central services cost allocation needs to be reviewed and made more robust. A comment was made that the General Fund was up to the Board – does that mean that the Board could use the excess funds at beaches or at Utility Fund? Is it that liberal?

**Director of Finance Navazio:** There is very little to no legal restrictions on the General Fund dollars but that does need verification. He believes the Board could but Board policies, etc. may come into play. In terms of State of Nevada, GAAP, GASB, etc., the General Fund is the only funding source available to the governing body and there are some items on Utility Funds – generally speaking, fully discretionary.

**Chairman Callicrate:** Because the beaches aren't available to all, he doesn't know.

**Director of Finance Navazio:** Will look at that, one could argue that it has public benefit.

**Trustee Dent:** He wants to allocate as much of the Recreation Fee to the beaches to fast track the beach house project. Let's fund the beaches and put \$780 to beaches and \$0 to Community Services – huge win to be funding the beach house and the other projects, nest egg is now there and putting the money where the community wants to put the money. He likes putting money aside to do the projects.

**Chairman Callicrate:** He likes the idea of building up the beach reserves because we have been talking about this for over 20 years; it is one opportunity.

**Trustee Schmitz:** Page 255, this is the Community Services Fund, operating revenue - \$18 million. Look at the operating expenditures, it is roughly \$18 million so we don't need a facility fee for operations or we need a minor one at \$500,000. We have capital projects for \$3 million and debt at \$310,000 so let's say that is \$4 million and the excess is \$7 million so let's take the \$4 million and reducing the excess to \$3 million which is just showing the math on Trustee Dent's idea. We still fund everything and take our excess from \$7 million to \$3 million as continuing to build it up is not what we should be doing. She doesn't know if going to \$780 is too much but that is the direction we should go and spend down the fund balance in Community Services and build up the Beach Fund. Maybe we need \$700 so how much does that put at the beaches if we did that?

**Trustee Tonking:** She is fine with the idea of moving the fee to a lower amount however she is concerned with allocating all to beaches – that makes her uncomfortable. Keeping at \$830 and adding more, not 100% comfortable at being at \$780 or putting \$700 into the beaches.

**Chairman Callicrate:** He liked what we did this year with \$500 for the beaches. Maybe we do \$650 at the beaches and he does want to draw down the Community Services reserves, we do need to move that direction and get back to Board policy because it got out of control. Don't want to go below \$500 at the beaches, maybe \$600 and no more for Community Services. Be wary of unintended consequences and not getting on the up and down roller coaster as he has lived through that and incremental is fine.

**Trustee Dent:** Agree about roller coaster and we were on a path that we shouldn't have been on and go on a roller coaster for a year. He is not backing away from the \$780 with it being \$680 and \$100 and making sure that we adequately fund the capital projects that are coming down the pipeline as well as we want to say we are funding the beaches. Like doing the \$50 reduction in the Recreation Fee, being responsible, and he really thinks we really need to focus on putting a lot of cash into the Beach Fund.

**Director of Finance Navazio:** Entirely a Board decision, he would suggest that he likes the idea of more incremental, go down to \$780, and reducing Community Services by \$50. This means we are counting on excess revenue from Ski, building a budget on coming out of a pandemic, don't know what new business will look like, Staff has some work on identifying projects in beaches as well as Ski Way, and would suggest that we will have a lot of more information on projects as well as the financing and deferring to 2022/23. Under the current structure of going to near zero, residents who

don't have beach fees, those residents would have zero on their punch cards if they are not paying recreation fees.

**Trustee Tonking:** It is important to think about Diamond Peak as it makes her very nervous as we can't predict the snow thus she is super nervous about putting all of it at beaches; it is a risky financial decision to put all in the beaches.

**Trustee Schmitz:** Diamond Peak beat their expectations, we are not to be sitting on \$7 million in excess, and standby service charges are not to build up reserves. If we go to beaches, we should not be collecting more than what we need, \$330 was collecting more than we need. We need to do our fiduciary duty and either allocate or restrict and work to dwindle it down. If we leave it near \$330, we are not doing anything to dwindle down that excess fund balance. We have a policy of protection, we have a budget, they identified what their forecasts and their needs are and we don't need it. Build up some excess funds in beaches then we have the ability to execute projects. She agrees with Trustee Dent, as a fiduciary, we can't sit here with \$7 million in excess funds; we cover costs of operating and not sit on excess fund balance.

**Director of Finance Navazio:** Went over the split of the Recreation Fee and noted that with the compounding, the impact is significant. Staff is happy to run scenarios and with \$500 to beach, Community Services is gone in 24 months.

**Trustee Dent:** Can you explain the changes?

**Director of Finance Navazio:** The change occurs in the capital plan and he went over the future projects that will take up the fund balance.

**Trustee Dent:** He stands by what he said earlier – compromise \$680 at beaches, \$100 for Community Services or go \$780 at the beaches - we have a huge fund balance and collecting when we don't need it.

**Trustee Tonking:** She worries that the fund balance will get extremely low. Allocate more to the beaches, can dip into reserves, very nervous and not putting into reserves – she doesn't feel comfortable knowing that we have to dip into reserves.

**Chairman Callicrate:** Trustee Wong sent her feedback and concerns and she wants us to stay at \$830 and how it was allocated for this year, would like this sent to everyone – also concerned about fund balances and reserves.

**Director of Finance Navazio:** Went over the scenario for \$830 - \$500 to beaches and \$330 to Community Services and the impact over several years. In two years, with \$330 for Community Services, excess fund balance is gone with this forecast, spent down sooner, and it just means jacked back up in a year. Staff really prefers an incremental approach.

**District General Manager Winqest:** This is a Board decision. He likes the idea of pushing a little higher more towards \$600 and go with the rest to the Community Services fund. We are spending down the Community Services fund balance, we are showing that we are committed to spending fund balance, do support reallocation, and we are projecting \$3 million in Ski revenue. It is a bit of a gamble but he is comfortable with \$780 and the Board can consider going higher than \$500 but not higher than \$600.

**The Board then discussed a couple of scenarios that they wanted Staff to run during a break that is going to be called.**

Chairman Callicrate called for a break at 7:33 p.m.; the Board reconvened at 7:43 p.m.

**Director of Finance Navazio:** The challenge is what happens after this year and he then shared a rough draft of some calculations which he went over.

**Trustee Dent:** If we pull Ski Way out and finance it, what happens?

**Director of Finance Navazio:** Things change drastically and it would be really helpful to just focus on 2021/2022 and then we will have a lot more information in 2022/2023.

**Trustee Dent:** Push off the Ski Way project for six years and then we have no issue or let's fund it with a bond and no issue there.

**Director of Finance Navazio:** Instead of doing a capital plan and setting the fee and fitting the plan to the fee, we are trying to manage the District one year at a time. Agree that we have over collected for a period of time.

**Trustee Dent:** Hear you and he doesn't want a project to dictate and he found \$3.6 million in the Ski Way project.

**Chairman Callicrate:** Ski Way project has to be bonded because it is going to be 20-30-year project. It was originally done in 1968 with repairs, it is going to be a long term project and then the Chateau comes up in 5 years and the Recreation Center is 30 years old. He doesn't have an issue with \$600 and \$180. More money goes to beaches and he doesn't know what our bonding capability is, know it was done for other projects at the beaches, however he doesn't want to misspeak. We need more information on that bonding opportunity.

**Director of Finance Navazio:** If we just look at the impact of a reduction to \$780 and it is allocated \$680 to beaches and \$100 to Community Services, to summarize that, Community Services fund balance is cut in half and after construction of the pool project, have almost \$3.5 million in fund balance in the beaches. Is that a reasonable place to plan to end this fiscal year while having the conversation on the other projects and working on other items?

**Trustee Dent:** Can we show that on the screen?

**Director of Finance Navazio** shared his screen.

**Trustee Dent:** That looks great.

**Trustee Schmitz:** \$680 and \$100 looks good. With the beaches, we don't know what we will need there. Have the restrooms at Burnt Cedar, the beach house and then the entrance and exit, and so it might be significant dollars at the beaches and we need to keep things moving forward. If we need to make changes to egress etc. we need to start doing it.

**Chairman Callicrate:** Agree that we need to do it. Because of the excess we have in Community Services, we do still need to be diligent. Getting down to where we need to be and need to have a policy in place for putting money into reserves and know that Staff is working on policies and procedures. He can support \$680 and \$100. Need to proceed and set dates.

**District General Manager Winquest:** Should the Board take action here?

**District General Counsel Nelson:** This item is for direction and it is the next item that you can make a motion.

**Trustee Schmitz:** Appreciative that you put this in here. When punch cards are being utilized at venues, backing out should occur at the venue because the venue is the place where the revenue is being recognized and to back it out in a completely different fund misrepresents the cash situation at the venue; requesting that the contra revenue in the account where the actual punch card is being utilized is done to clarify our accounting.

**Director of Finance Navazio:** Backing out is not to clarify, punch cards were purchased and they are used for guests, etc. purchased with facility fee revenues, revenue is recorded and the goal of contra revenue is to pay not in that venue.

**Trustee Schmitz:** Understand, used at golf, records \$100, revenue has already come into the District, back it out of that revenue.

**Director of Finance Navazio:** Golf sells a round, full cost and backing the punch card piece, suggesting if we did that, understating at the venues, revenues relies on certain amount of selling for cash or punch card.

**Trustee Schmitz:** This revenue is already received by the District.

**Director of Finance Navazio:** Not in golf, treat as deferred revenue and not record until it is used, however the Board allocates it and we deduct it from the allocation. It is a little frustrating.

**Trustee Schmitz:** We all thought this was all going away.

**Director of Finance Navazio:** The punch cards have to go away in order to do that, apologize if that assumption was made. Given the conversation earlier, we should track how people are using so it mirrors utilization but that's not how they are allocated at all. Will look at it as there were a lot of changes and recommendations made this evening. See a different picture with the allocation of the Recreation Fee.

**E.2. Review, discuss and possibly approve (with modifications if applicable) Resolution Number 1887: A Resolution primarily approving the report for collection of Recreation Standby and Service Charges per parcel of \$830 with beach privileges and \$650 without beach privileges, Fiscal Year 2021/2022 and setting the public hearing date for Wednesday, May 26, 2021 at 6 p.m. Modifications may include the amount or structure of the proposed charges. (Requesting Staff Member: Director of Finance Paul Navazio)**

Director of Finance Navazio gave a brief overview of the submitted materials. Trustee Dent asked if can we leave it at \$830 and \$100 without beach privileges. Director of Finance Navazio said yes, we can't go above the \$100 without beach privileges. Chairman Callicrate said that the District General Manager felt comfortable going with \$780 and \$780 with beach privileges and that this doesn't hamstring us and that we want to send a clear message on what we are discussing. Director of Finance Navazio said if the Board is comfortable with not exceeding \$780 and that is a high as you can go and give flexibility on the split contingent on action from full Board. Trustee Tonking said she is not comfortable with \$100 and that she wants \$180 and yes, she is ok with the \$780 cap but not the other.

Trustee Dent made a motion to approve Resolution Number 1887: A Resolution primarily approving the report for collection of Recreation Standby and Service Charges per parcel of \$780 with beach privileges and \$100 without beach privileges, Fiscal Year 2021/2022 and setting the public hearing date for Wednesday, May 26, 2021 at 6 p.m. Trustee Schmitz seconded the motion.

Chairman Callicrate asked if that give us the flexibility to go higher on the without. Director of Finance Navazio said no, it doesn't, you can't exceed \$100 for Community Services.

Hearing no further comments, Chairman Callicrate called the question – Trustees Dent, Schmitz and Callicrate voted in favor of the motion and Trustee Tonking voted opposed. The motion passed.

**F. FINAL PUBLIC COMMENTS\* - Limited to a maximum of three (3) minutes in duration.**

Aaron Katz said it has been an interesting meeting; resents all the talk about the beach house and that we have kicked the can down the road. We have never had

a survey of the property owners on if we want it and have never suggested the price tag, last time it was \$3.5 million and if you can't build a pool for under \$5 million, you can't do this for \$3.5 million. So if you are going to survey us, why don't you tell the truth. Do you want a restaurant that is going to cost you \$5 million, \$6 million, who knows what it is going to be? A beach house is not for parcel owners, it is for visitors and short term renters and we don't want it as we would rather have a lower beach fee. Now you have passed this resolution for the hearing on the 26<sup>th</sup>, he doesn't think that any of you have read the report. The report says specifically that the Board has found that these amounts are required. You have just admitted for the last 3 years that what we have been collecting hasn't been required and yet you adopted reports all of those years saying it is required. In other words, you didn't tell the truth and you are not telling the truth now and that bothers him probably more because everything this District does is not the truth. So he doesn't want you to go forward with this beach house, you send out a survey to the property owners and not the renters nor the visitors but the ones paying for it and you will find out if they want to spend 5 or 6 million dollars on a restaurant. Thank you.

Judith Miller said you know you has been up for this whole meeting well at our house we have anyways and that 4 or 5 hours does take its toll. We have something called a facility fee is a term that likely came about because originally it was needed to buy the beaches, a facility, and then it was used to buy golf and ski and then it was used to build the Recreation Center and then it was used to rebuild the Chateau. Former GM Bill Horn loved to talked about EBITA, earnings before deducting interest, taxes, depreciation and amortization and how his goals were that venues user fees should pay for their operating costs, essentially EBITA. Of course IVGID doesn't pay taxes so after deducting central services or at least all of the costs of central services, we still weren't really close to recovering operating costs. It looks like we may be close when Ski has a good year but she thinks once we start recalculating just what is included in the operating costs, moving these former capitalized expenses over to operations, it might be a slightly different story. I think you recognize for the past decade that IVGID upper management has made every attempt to convince the property owners that our venues were covering those operating costs, but we know they weren't. One of the other things they were doing was punch card revenue or punch card utilization and that was adding to a venues revenue to make it look like it had more revenue than it actually generated. We really need to look ahead and she admire Staff's desire to set a cost expectation, as that has never happened and it needs to happen. A former Board went through an exercise but never followed through with specific directors to Staff so she hopes you will put this on your list of things to tackle in Fiscal Year 2021/2022. We do need to get some direction from the Board, and input from the community, on what venues to subsidize and just how much. Do agree with her husband, that we need to survey our property owners, we always said we were



going to do that after we put all these plans in place and find out from the property owners if you expect to pay a higher facility fee. We don't mind subsidizing facilities but we don't think we should be subsidizing other peoples golf fees and things of that nature so go ahead and combine that with your survey that you are already going to do.

- G. CLOSED SESSION** – The Board may consider a motion to enter a Closed Session to consider negotiating strategy and labor negotiations pertaining to the Operating Engineers Local Union No. 3 (pursuant to NRS 288.220).

Trustee Dent made a motion to enter into closed session, Trustee Tonking second the motion. Chairman Callicrate called the question and the motion was passed unanimously.

**H. ADJOURNMENT (*for possible action*)**

The meeting was adjourned at 8:30 p.m.

Respectfully submitted,

Susan A. Herron  
District Clerk

Attachments\*:

\*In accordance with NRS 241.035.1(d), the following attachments are included but have neither been fact checked or verified by the District and are solely the thoughts, opinions, statements, etc. of the author as identified below.

Submitted by Aaron Katz: Written statement to be included in the written minutes of this May 5, 2021 special IVGID Board Meeting – Agenda Item C – Public Comments – Everything that's wrong with IVGID; overspend and subsidize to local parcel owners' detriment

Submitted by Margaret Martini: Exhibits to her public comments

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MAY 5, 2021 SPECIAL IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENTS – EVERYTHING THAT’S WRONG WITH IVGID; OVER-SPEND AND SUBSIDIZE TO LOCAL PARCEL OWNERS’ DETRIMENT**

**Introduction:** After being a full time resident for the last fourteen (14) years, I’ve finally figured it out. It doesn’t matter what the District does. Staff will intentionally overspend which requires financial subsidy. So that’s it; overspend and subsidize! And that’s the purpose of this written statement.

**The District’s Fund Structure**<sup>1</sup>: We’ve had this discussion before. “The accounts of the District are organized on the basis of funds and account groups...Our Governmental Funds include...the General Fund which is the general administration operating fund...Propriety Funds include Enterprise ...and Internal Services Funds...Enterprise Funds are used to account for revenue...expense...and net income for business-type functions...Included in the enterprise funds is the Utility[, Community Services (recreational venues other than the beaches) and Beach (beach recreational venues)] Fund(s). The Internal Services Fund is used to account for the financing of goods and services provided by one department to other(s)...on a cost reimbursement basis.”<sup>2</sup>

**The General Fund is Budgeted to Lose Money:** primarily as a result of overspending<sup>3</sup>. For 2021-22 that loss is budgeted to total \$1,312,249, and it is subsidized by a series of Central Services Cost transfers<sup>4</sup> (for 2021-22 budgeted to come from the Community Services, Beach and Utility Funds totaling \$1,546,424.

**The Community Services Fund is Budgeted to Lose Money:** primarily as a result of overspending<sup>5</sup>. For 2021-22 that loss is budgeted to total \$3,819,845, and it is subsidized by the RFF.

**The Beach Fund is Budgeted to Lose Money:** primarily as a result of overspending<sup>6</sup>. For 2021-22 that loss is budgeted to total \$1,420,479, and it is essentially subsidized by the BFF.

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<sup>1</sup> Go to <https://www.leg.state.nv.us/nrs/nrs-318.html#NRS318Sec201>.

<sup>2</sup> See page 16 of the 2015-16 fiscal year budget [“the 2015-16 Budget” ([https://www.yourtahoepace.com/uploads/pdf-ivgid/2015-2016\\_Budget\\_Book.pdf](https://www.yourtahoepace.com/uploads/pdf-ivgid/2015-2016_Budget_Book.pdf))]. This page is attached to this written statement as Exhibit “A.”

<sup>3</sup> See page 018 of the packet of materials prepared by staff in anticipation of the Board’s May 5, 2021 Meeting [“the 5/5/2021 Board packet” ([https://www.yourtahoepace.com/uploads/pdf-ivgid/0505\\_-\\_Special\\_-\\_Searchable.pdf](https://www.yourtahoepace.com/uploads/pdf-ivgid/0505_-_Special_-_Searchable.pdf))].

<sup>4</sup> See page 047 of the 5/5/2021 Board packet.

<sup>5</sup> See page 027 of the 5/5/2021 Board packet.

<sup>6</sup> See page 039 of the 5/5/2021 Board packet.

**Because the Internal Services Fund is Financially Supported by the Charges Paid by the General, Community Services, Beach and Utility Funds, its Revenues Cover its Expenses<sup>7</sup>:** Therefore whatever overspending is assigned to the District's Internal Services Fund is masked because it is subsidized by the arguably higher than necessary charges paid by its other funds.

**Because the Utility Fund is Financially Supported by the Rates and Charges Paid by Users, its Revenues Cover its Expenses<sup>8</sup>:** Therefore whatever overspending is assigned to the District's Utility Fund is masked because it is subsidized by the arguably higher than necessary charges paid by its users.

**The District's Internal Services Department:** is the department which provides "support" to its other departments<sup>1</sup>. The Internal Services Department is divided into fleet ("maintenance and use of vehicles and equipment"), "buildings maintenance," and "engineering." And the cost according to the current proposed budget is nearly \$3.156 million<sup>7</sup>. Kind of like FORCED "central services," don't you think?

The theory propagated by staff is that by having this internal services workforce resource "in house," the District saves money compared to its comparable costs incurred by out-sourcing. But because the District has this "in house" expense, it needs to come up with a revenue source to pay for it because internal services is not capable of independently generating revenue of its own like a recreation venue or our utility department is able to generate revenue. So internal services bills out its expenses to other IVGID departments, whether needed or not. Which ends up increasing the expenses in other departments, and many times unnecessarily.

The first time I ever came across an example of the foregoing was years ago at the Mountain Golf Course with its then venue manager, Angie Rodriguez. Angie needed to get a golf cart mechanically repaired. She recounted to me that she could get it repaired locally for about \$160. But her superiors wouldn't allow her to outsource this expense. Instead, she was forced to go in-house where Mountain Golf was charged \$2,200 for the same work. Now compound expenses like this and one soon sees that Angie wasn't able to operate the Mountain Course at a break even or on a positive cash flow basis because her hands were tied. She was forced to unnecessarily subsidize internal services.

**Less Than Competent Staff End Up Doubling the Costs of Many Internal Services Tasks:** When our in-house internal services people are unable to complete a fleet, buildings maintenance or engineering task, like an engine rebuild or updating toilets and sink hardware in the Rec Center bathrooms, the District ends up having to outsource and add the surcharge to internal services because it needs to administratively "manage." In other words, the District pays far more than the direct, retail cost.

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<sup>7</sup> See page 041 of the 5/5/2021 Board packet.

<sup>8</sup> See page 020 of the 5/5/2021 Board packet.

**And it's Not Just Personnel Costs:** We now have to have all the latest and greatest tools and machinery, trucks, Deere tractors and Caterpillar loaders, a fancy building to house all of this, and etc., etc., etc. All of these costs need to be recouped because remember, internal services is not capable of generating independent revenue.

### **So Are You Starting to Get the Picture?**

**How This State of Affairs Came to My Attention:** At the Board's April 29, 2021 meeting staff presented a summary of costs associated with the Burnt Cedar Pool reconstruction project; \$4,757,175<sup>9</sup>. Included in those costs was \$175K of unreimbursed staff time. What staff time? Internal services engineering staff time. In other words, Nathan Chorey. We all know that Nathan wasn't competent to handle management of complicated construction projects. So he required reinforcement. Which explains why he constantly pushed for the added expense of a Construction Manager (as an Agent) at Risk<sup>10</sup> ("CMAR"). And it wasn't just the CMAR. According to Nathan, we had to pay TSK Architects \$105,680 for "construction administration." And Tri Sage an additional \$69,500 for "construction inspection services." And Core Construction (our CMAR) 3.95% of the cost of the project<sup>11</sup>. And an additional \$37,500 to our CMAR for pre-construction services<sup>9</sup>. And \$5,440 (so far) with Cumming Management for "document review."<sup>12</sup> And now an additional \$175,000 for unreimbursed staff (engineering) services<sup>9</sup>. **AND YOU WONDER WHY A RELATIVELY STRAIGHTFORWARD SWIMMING POOL RECONSTRUCTION PROJECT ENDS UP COSTING \$5 MILLION?** Arnold Palmer used to ask this question as follows: So "what's the par on this hole?"

**So What Precise Work Has Engineering Staff Performed to Warrant the \$100,000 Already Reimbursed<sup>9</sup>?** I wanted to learn exactly what work in-house engineering staff had done and at what cost to justify the \$100K of unreimbursed staff time assigned so far. So I did a records request<sup>12</sup> and shared staff's response with the Board. Do you the reader remember when former GM Pinkerton asserted that \$788K of capital improvement project ("CIP") funds had been spent on the pond liner project? And I and others asked for a breakdown of the expenditures given we had independent evidence that this project had *not* been prosecuted? And Mr. Pinkerton came up with \$250,000 or more of unreimbursed staff time? Well it's the exact same here.

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<sup>9</sup> See page 21 of the packet of materials prepared by staff in anticipation of the Board's April 29, 2021 Meeting ["the 4/29/2021 Board packet" ([https://www.yourtahoepace.com/uploads/pdf-ivgid/0429\\_-\\_Regular\\_-\\_Searchable\\_-\\_Part\\_1.pdf](https://www.yourtahoepace.com/uploads/pdf-ivgid/0429_-_Regular_-_Searchable_-_Part_1.pdf))]. That page is attached to this written statement as Exhibit "B."

<sup>10</sup> See NRS 338.1685, et seq. (go to <https://www.leg.state.nv.us/nrs/NRS-338.html#NRS338Sec1685>).

<sup>11</sup> See page 19 of the 4/29/2021 Board packet.

<sup>12</sup> On April 28, 2021 I made a public records request to examine records evidencing every staff expense which went into this \$100,000 unreimbursed staff time expenditure highlighted on Exhibit "B" to this written statement. In response Ms. Herron provided a spreadsheet summary captioned "Burnt Cedar Swimming Pool Improvement Costs from 7/1/2019-4/15/2021." These expenditures were disclosed on the summary. That summary is attached to this written statement as Exhibit "C."

And although Ms. Herron has not yet provided detail of the records requested, I believe we're going to learn that whenever we talk to engineering, or ask them to do anything, we're charged a fee - just like an attorney like Mr. Nelson who is paid on an hourly basis (which explains why Board members are reluctant to ask our attorney anything). So we're paying Nathan and Company to do such mundane things as: attend Board meetings; draft RFPs; interview possible RFQ applicants; review proposals in response to RFPs; create staff memos; etc. Basically everything most of us expect any of our full time fully benefited engineering personnel to perform. In other words, the \$935,208 annual cost of engineering<sup>13</sup> gets added on to **EVERYTHING! AND YOU WONDER WHY OUR COSTS ON EVERYTHING ARE OFF THE CHART?**

**And It's Not Just the Burnt Cedar Swimming Pool Project:** It's *EVERY* IVGID project whether or not the tentacles of IVGID's engineering staff are required. In fact according to local resident and member of the Audit Committee Cliff Dobler, so far we've reimbursed our engineering staff upwards of \$1 Million on the effluent pipeline project which we haven't even begun! That's just so far.

**So What's my Point?** Besides disclosure, we need to disband our Internal Services – Engineering Department. Another unnecessary and wasteful expense spent on less than competent personnel. If we're going to spend the money anyway, in my opinion we'd be better served by cutting out the middle man and simply outsourcing *directly*. That way we'd end up spending less in the long run, and getting for more competent “bang for the buck.”

For similar reasons, it's time to disband our Internal Services – Fleet as well as Buildings Maintenance Departments. Buildings Maintenance personnel are apparently not competent to handle simple construction projects like trash enclosures and toilet swaps at the Recreation Center bathrooms. And Fleet personnel are apparently not competent to handle Toro lawnmower and Caterpillar loader repairs. So really at a personnel cost of \$494,861<sup>14</sup> and \$878,482<sup>15</sup>, respectively, what good are they?

**Conclusion:** So you see, here's the program from staff's point of view.

General Fund – overspend<sup>3</sup> and subsidize the overspending with central services cost transfers<sup>3</sup> from the Community Services, Beach and Utility Funds<sup>4</sup> (because from where else does staff propose the subsidies come from?). These transfers in effect come from the RFF, BFF and utility rates we pay.

Community Services Fund – overspend<sup>5</sup> and subsidize the overspending with the RFF<sup>5</sup>.

Beach Fund – overspend<sup>6</sup> and subsidize the overspending with the BFF<sup>6</sup>.

Internal Services Fund – overspend<sup>7</sup> and subsidize the overspending with forced use of Internal Services personnel<sup>7</sup>.

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<sup>13</sup> See page 044 of the 5/5/2021 Board packet.

<sup>14</sup> See page 045 of the 5/5/2021 Board packet.

<sup>15</sup> See page 043 of the 5/5/2021 Board packet.

Utility Fund – overspend<sup>16</sup> and subsidize the overspending with higher forced utility rates, tolls and charges<sup>16</sup>.

In all of these examples the game plan according to staff is the same; overspend and subsidize to local parcel/dwelling unit owners' detriment.

The time for overspending and forced subsidies must come to an end. Staff need to learn to live within their financial means.

And to those asking why your RFF/BFF and sewer/water rates are as high as they are, never seeming to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

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<sup>16</sup> See page 020 of the 5/5/2021 Board packet.

**EXHIBIT "A"**



signed by the Board of Trustees on the third Thursday in May and filed with the DOT on or before June 1st.

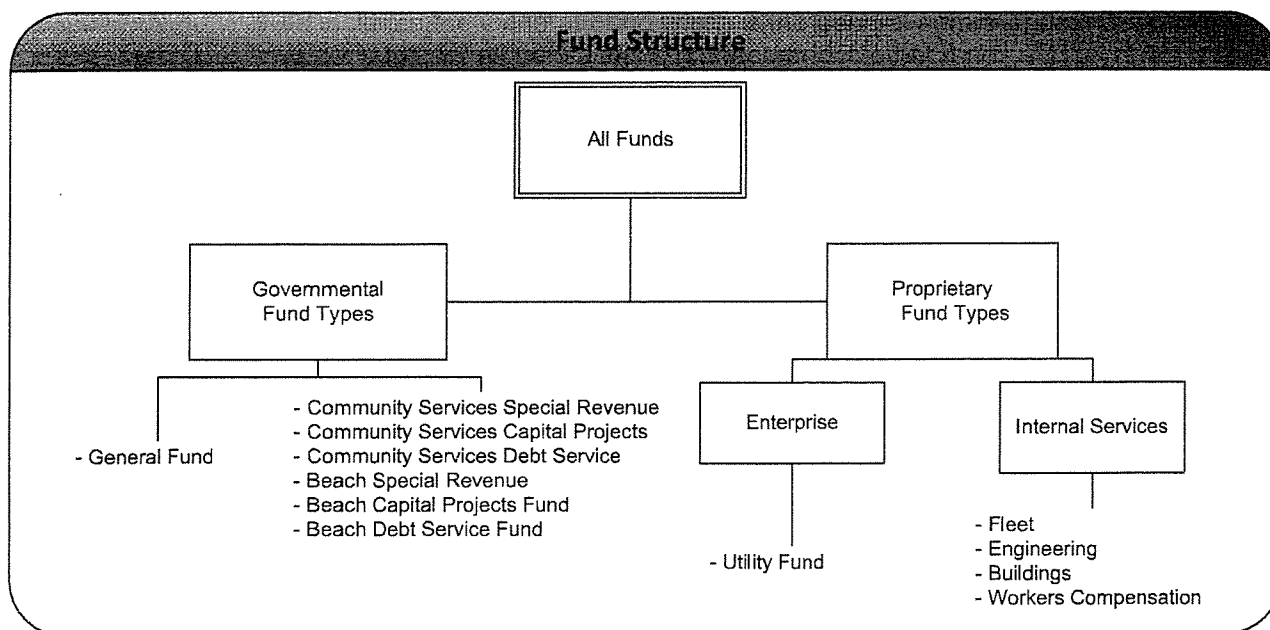
### Fund Structure and Budget Basis

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expense as appropriate. Fund balance in the General Fund is the difference between assets and liabilities. Resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending is controlled. The various funds are grouped into Governmental Funds and Proprietary Funds. The District does not use appropriations for its funds.

Our Governmental Funds includes the General Fund which is the general administration operating fund for the District. This fund accounts for all transactions not recorded in other funds and receives financial support from property taxes, sales taxes, and Central Service Cost Allocation revenue from the Utility Fund, Community Services Fund, and Beach Enterprise Fund. Expenditures are authorized in the General Fund budget and include such areas as trustees, general manager, accounting, finance, information technology, human resources, risk management, health and wellness, general administration, and community relations. These services in turn are provided to all District venues in lieu of having separate staff or functions in each location. The Central Service Cost Allocation revenue comes from charges for Accounting, Finance and Human Resources to each benefitted funds. Beginning with 2015-2016 the District also reports Special Revenue, Capital Project and Debt Service funds for Community Services Fund and the Beach Fund.

Proprietary Funds include Enterprise Funds and Internal Services Funds. The enterprise funds are used to account for revenue earned; expense incurred, and net income for business-type functions. These businesses are supported from fees paid by their users. Included in the enterprise funds is the Utility Fund.

The Internal Services Fund is used to account for the financing of goods and services provided by one department to other departments on a cost reimbursement basis. Included in the Internal Service Fund is maintenance and use of vehicles and equipment, engineering, buildings maintenance, and Workers Compensation.



**EXHIBIT "B"**

**Estimated Project Budget**

<b>Description</b>	<b>Amount</b>
TSK Architects Conceptual design fees (not to exceed)	\$32,200
TSK Architects Schematic design fees (not to exceed)	\$68,104
TSK Architects Final design fees (not to exceed)	\$216,626
Reno Tahoe Geo Associates (not to exceed)	\$20,700
CMAR pre-construction fees	\$37,500
District staff time during design, 3 <sup>rd</sup> part cost estimator, permit fees, and miscellaneous project expenses (Period 7/1/19 – 4/15/21)	\$100,000
<b>Design Phase sub-total</b>	<b>\$475,130</b>
CMAR Construction Base Contract (CORE Construction)	\$3,508,440
Alternates #1, #2, #3, and #4	\$96,461
CMAR Contingency and Allowances	\$240,964
<b>Total Guaranteed Maximum Price Contract</b>	<b>\$3,845,865</b>
Construction Administration (TSK Architects)	\$105,680
Construction Inspection Services (Tri Sage)	\$69,500
Special Inspection and Materials Testing (Reno Tahoe Geo Associates, Inc.)	\$21,000
District Staff Time	\$75,000
IVGID Construction Reserves (Additional work, Permit fees, and District furnished material/FFE)	\$175,000
<b>Construction Administration sub-total</b>	<b>\$446,180</b>
<b>Estimated Project Total</b>	<b>\$4,767,175</b>

IVGID Construction reserves are to account for permit fees, deferred submittals, and certain project elements have been removed from the construction contract and will be completed outside of the construction contract. For instance, a TRPA requirement to paint the exterior of the Burnt Cedar Pool Building will be outside of the CMAR contract. District furnished material / Furniture, Fixture, and Equipment (FFE) includes pool elements, security cameras, and patio furniture, as examples.

The estimated project cost estimate for the Burnt Cedar Swimming Pool and Site Improvement Project is \$4,767,175, or \$66,114 below the total available budget. Upon project completion, all savings will revert to fund balance and be available for re-appropriation for future capital projects, subject to Board approval.

**EXHIBIT "C"**

## 3970BD2601 Burnt Cedar Swimming Pool Improvements

Costs from 7/1/2019-4/15/2021

DATE	DESCRIPTION	VENDOR	AMOUNT
08/01/2019	Burnt Cedar Swimming and Toddler Pool Resurface and Mechanical Improvements; project design development work.	Terracon Consultants, Inc	1,400.00
03/31/2020	CIP Engineering Charges - March 2020		2,100.00
04/30/2020	CIP Engineering Charges - April 2020		5,500.00
05/31/2020	CIP Engineering Charges - May 2020		2,500.00
06/30/2020	CIP Engineering Charges - June 2020		5,000.00
07/31/2020	Tahoe Daily Tribune ADDs 0000597028-01 and 0000597571-01	Nevada County Publishing CO/THE UNION	189.96
07/31/2020	CIP Engineering Charges - July 2020		5,700.00
08/31/2020	CIP Engineering Charges - August 2020		9,700.00
09/24/2020	Burnt Cedar Swimming Pool Improvements; professional survey services.	Resource Concepts, Inc.	5,897.50
09/30/2020	CIP Engineering Charges - September 2020		5,700.00
10/12/2020	Burnt Cedar Swimming Pools Improvements; Geotechnical Investigation per ASA 1.	Reno Tahoe Geo Associates, Inc	7,992.04
10/14/2020	Burnt Cedar Swimming Pools Improvements; Geotechnical Investigation per ASA 1.	Reno Tahoe Geo Associates, Inc	831.95
10/31/2020	CIP Engineering Charges - October 2020		6,400.00
11/30/2020	Burnt Cedar Swimming Pools Improvements; Geotechnical Investigation per ASA 1.	Reno Tahoe Geo Associates, Inc	3,088.50
11/30/2020	Burnt Cedar Swimming Pools Improvements; Geotechnical Investigation per ASA 1.	Reno Tahoe Geo Associates, Inc	410.00
12/01/2020	CIP Engineering Charges - November 2020		4,000.00
12/31/2020	CIP Engineering Charges - December 2020		3,000.00
01/26/2021	CIP # 3970BD2601 Permitting fees, Burnt Cedar Swimming Pools Project	Washoe County Community Services Dept	6,112.22
01/31/2021	CIP Engineering Charges - January 2021		3,800.00
02/28/2021	CIP Engineering Charges - February 2021		2,000.00
02/28/2021	Burnt Cedar Swimming Pools Improvement Project; 50% construction document review, per ASA 01.	Cumming Management Group, Inc	5,120.00
03/01/2021	WBLD 21-100609 Permitting fees, Burnt Cedar Swimming Pools Project. Previously paid \$6,112.22; additional fees required.	Washoe County Community Services Dept	1,371.00
03/03/2021	Expedited permit review, BCB Swimming Pool Project: IVGID Burnt Cedar Beach Pools Replacement Project; 893 Southwood Boulevard, Incline Village, NV; Washoe County APN 122-162-23, TRPA File No. ERSP2021-0078	TRPA	7,700.00
03/31/2021	CIP Engineering Charges - March 2021		4,300.00
03/31/2021	Burnt Cedar Swimming Pools Improvement Project; 50% construction document review, per ASA 01.	Cumming Management Group, Inc	320.00
	<b>TOTAL</b>		<b>100,133.17</b>

To: Board of Directors

From: Margaret Martini

To be added to the minutes of the meeting of 5-4-2021 as Public Comment

Whoa, what an ending to the last board meeting ! The false accusatory comments directed at Cliff Dobler, audit committee member, by board member Kendra Wong, and seconded by Mina bird Tonking, and then to be endorsed and added to by the general manager Windquest was breathtaking.

Our board chairman, Tim Callicrate, seems to forget the malicious diatribes that were distributed by Ms. Wong and her True Blue Facts group during his campaign. There are printed statements of bigotry and racism galore directed at Mr. Callicrate along with quoted statements like "worthless shits"...directed at the Union soldiers who fought to end slavery. And "cannot believe so many folks think BLM AND ANTIFA are ok but neo-nazi and white supremacist are not". Yes, we have printed copies of these postcards paid for and distributed by Ms. Wong and her group. Yet, Mr. Callicrate jumps in to the accusations against Mr. Dobler.

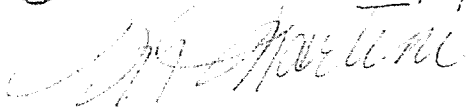
I find it astonishing that a political hack, Ms. Wong, would attempt to discredit one of the finest members of our community , an outstanding citizen and member of the audit committee which has uncovered so many financial irregularities that have ripped off this community for millions of dollars.

And Mr. Windquest has the audacity to not only chime in on the racist and sexist accusations made by Ms. Wong, but to call for Mr. Dobler to be removed from the audit committee. Is this just an excuse to remove one of the committee members who is knowledgeable and outspoken of the mess and misappropriations of funds that seem to be prevalent in the IVGID financials?

Mr. Dobler' statement was NOT racist by any stretch of the imagination...or sexist and to accuse him of that is public slander by Callicrate, Tonking, Wong and Windquest. He was asking for clarification of the "couples" designation in pricing at the venues.

Their comments qualify them for removal from their positions as board members and general manager.

3 Exhibits enclosed





# THE SOLUTION TO BIGOTRY AND RACISM ISN'T A HACK ANSWER.



EXHIBIT 2  
TO public comments  
made by Margaret Martini



**TRUE BLUE FACTS**  
 P.O. Box 6616 Incline Village NV 89450

**Candidate Callicrate says he was hacked, but...**

- Shared bigoted and racist posts on Facebook from 2014 - 2018
- Posts were captured without modification by a Facebook group member
- Verified through forensic analysis

For more info visit [TrueBlueFacts.com](http://TrueBlueFacts.com)

**Posts**  
 Tim Q Callicrate  
 Shared 2/10 · RT  
 This Day in History - Republicans have now been an  
 Outlawing Democratic terrorist groups

**Posts**  
 Tim Q Callicrate  
 Shared 2/10 · RT  
 I don't want to grow up to be abused as  
 a woman sex slave. Please don't harm  
 #GoatLivesMatter

\*\*\*\*\*ALH00\*\*SC11 5-DIGIT 89450

CAYLE M HOLDERER  
 P.O. BOX 3629  
 INCLINE VILLAGE NV 89450-3629

1 234

POSTAGE  
 PAID  
 PERMIT NO. 102

EXHIBIT 1 -  
 TO public comments  
 made by Margaret Martini





EXHIBIT 3: Comments  
 TO Public  
 made by Margaret Martini